

**Exhibit D**

Illustrative Local Exchange Tariff

SGE-T-07-01

**TITLE PAGE**

**IDAHO  
LOCAL EXCHANGE TARIFF  
OF  
SAGE TELECOM, INC.**

This tariff contains the descriptions, regulations and rates applicable to the provision of facilities-based and resold local exchange and intraLATA services, within the State of Idaho, provided by Sage Telecom, Inc. ("Company" or "the Company"), with principal offices at 805 Central Expressway South, Suite 100, Allen, TX 75013-1789, for services furnished within the State of Idaho. This tariff is on file with the Idaho Public Utilities Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

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Effective: \_\_\_\_\_, 2007

Issued By:  
Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

## CHECK SHEET

Pages of this tariff, as indicated below, are effective as of the date shown at the bottom of the respective pages. Original and revised pages, as named below, comprise all changes from the original tariff and are currently in effect as of the date on the bottom of this page.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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 Robert W. McCausland  
 Vice President and Secretary  
 Sage Telecom, Inc.  
 805 Central Expressway South, Suite 100  
 Allen, Texas 75013-2789

## TARIFF FORMAT SHEET

1. Page Numbering. Page numbers appear in the upper-right corner of the page. Pages are numbered sequentially. New pages may occasionally be added to the tariff. When a new page is added, the page appears as a decimal. For example, a new page added between pages 34 and 35 would be 34.1.
2. Page Revisions Numbers. Page Revision Numbers also appear in the upper-right corner of the page. These numbers are used to determine the most current page revision on file with the Idaho Public Utilities Commission. For example, the fourth revised Page 34 cancels the third revised Page 34. Because of deferrals, notice periods, etc., the most current page number on file with the PUC is not always the tariff page in effect. Business Customers should consult with check sheet for the page currently in effect.
3. Paragraph Numbering Sequence. There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level of coding.
  - 1.
  - 1.1.
  - 1.1.1.
  - 1.1.1.A.
  - 1.1.1.A.1.
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4. Check List of Effective Pages. When a tariff filing is made with the PUC, an updated Check List of Effective Pages ("Check List") accompanies the tariff filing. The Check List lists the pages contained in the tariff, with a cross-reference to the current revision number. When new pages are added, the Check List is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (\*). There will be no other symbols used on the Check List if these are the only changes made to it (i.e., the format, etc.). Customers should refer to the latest Check List to find out if a particular page is the most current page on file with the PUC.
5. Symbols Used in This Tariff.
  - (C) - To signify changed regulation.
  - (D) - To signify discontinued rate or regulation.
  - (I) - To signify increased rate.
  - (M) - To signify a move in the location of text.
  - (N) - To signify new rate or regulation.
  - (R) - To signify reduced rate.
  - (S) - To signify reissued matter.
  - (T) - To signify a change in text but no change in rate or regulation.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

APPLICABILITY OF TARIFF

This tariff sets forth the service offerings, rates, terms and conditions applicable to the furnishing of intrastate end-user facilities based and resold local exchange communications services by Sage Telecom, Inc., hereinafter referred to as the Company, to Customers within the state of Idaho. Sage's services are furnished subject to the availability of facilities and subject to the terms and conditions set forth herein.

This tariff is on file with the Idaho Public Utilities Commission. In addition, this tariff is available for review at the main office of Sage Telecom, Inc. at 805 Central Expressway South, Suite 100, Allen, Texas 75013-2789.

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Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 1 – DEFINITIONS AND ABBREVIATIONS**

**Account** - Either a Customer's physical location or individual Service represented by a unique account number within the billing system. Multiple services each with a unique account number may be part of one physical location.

**Alternative Local Exchange Carrier ("ALEC") or Competitive Local Exchange Carrier ("CLEC")** - means any entity or person providing local exchange services in competition with an ILEC or LEC.

**Application for Service** - The Company's order process that includes technical, billing and other descriptive information provided by Customer that allows the Company to provide requested or constructively-ordered communications Services for Customer and Customer's Authorized Users. Upon acceptance by the Company, the Application for Service or Constructive Order becomes a binding contract between Customer and the Company for the provision and acceptance of Service.

**Authorization Code** - A multi-digit code that enables a Customer to access Sage's network and enables Sage to identify the Customer's use for proper billing. Also called a Personal Identification Code or PIN.

**Authorized User** - A person, firm, corporation, or other entity that is authorized by the Customer to be connected to the service of the Customer. In the case of Presubscription, the person, firm, corporation, or other entity that presubscribes through the standard industry process shall be deemed an Authorized User unless the Customer specifies in writing in advance that the person, firm, corporation, or other entity is not to become an Authorized User.

**Billing Hierarchy** - Allows Customers to combine multiple accounts and Services into a single billing structure. Business Customers can choose whether to have all Services invoiced together, invoiced separately, or in any combination thereof. In addition, the Business Customer may specify where the invoices are to be sent and who is to receive them.

**Business Hours** - The phrase "Business Hours" generally means the time beginning at 8:00 a.m. and ending at 5:00p.m., local time at the place of Company operation, Monday through Friday excluding holidays.

**Business Office** - The phrase "Business Office" means the primary location where the business operations of the Company are performed and where a copy of the Company's tariff is made available for public inspection. The address of the business office is 805 Central Expressway South, Suite 100, Allen, Texas 75013-2789.

**Called Station** - The terminating point of a call (i.e., the called number).

**Calling Station** - The originating point of a call (i.e., the calling number).

**Calling Area** - A specific geographic area so designated for the purpose of applying a specified rate structure.

**Carrier** - The term "Carrier" means Sage Telecom.

**Central Office** - The premises of the Company or another local exchange carrier containing one or more switches where Customer or End User station loops are terminated for purposes of interconnection to other station loops, trunks or access facilities.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

## SECTION 1 – DEFINITIONS AND ABBREVIATIONS, (CONT'D)

Company – Used throughout this tariff to indicate Sage Telecom, Inc.

Competitive Local Exchange Carrier (“CLEC”) or Alternative Local Exchange Carrier (“ALEC”) - means any entity or person providing local exchange services in competition with an ILEC or LEC.

Customer - Any person, firm, partnership, corporation or other entity that uses service under the terms and conditions of this tariff and is responsible for the payment of charges.

Customer-Provided Equipment - Telecommunications equipment provided by a Customer used to originate calls using Sage’s service located at the originating location.

Day - The term “day” generally means the time beginning at 8:00 a.m. and ending at 5:00 p.m., local time at the place of Company operation , Monday through Friday excluding holidays.

Delinquent or Delinquency - An account for which payment has not been made in full on or before the last day for timely payment.

Digital Transmission - Information transmitted in the form of digitally encoded signals.

End User - Any person, firm, partnership, corporation or other entity that uses the service of the Company under the terms and conditions of this tariff. In most contexts, the End User is the customer of an Interexchange Carrier who in turn utilizes the Company’s Switched or Dedicated Access services described in this tariff to provide the End User with access to the IXC’s communication and switching systems.

Exchange - A group of lines in a unit generally smaller than a LATA established by the Company or other local exchange carrier for the administration of communications service in a specified area. An Exchange may consist of one or more central offices together with the associated facilities used in furnishing communications service within that area.

Facility (or Facilities) - Any item or items of communications plant or equipment used to provide or connect to the Company’s Services.

FCC - Federal Communications Commission.

Holiday - The term “holiday” means 8:00 a.m. to, but not including, 11:00 p.m. local time at the originating city on all Company-specific holidays: New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. When holidays fall on Saturdays or Sundays, the holiday rate applies unless a larger discount would normally apply.

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Robert W. McCausland  
Vice President and Secretary  
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805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

## SECTION 1 – DEFINITIONS AND ABBREVIATIONS, (CONT'D)

Incumbent Local Exchange Carrier (“ILEC”) or Local Exchange Carrier (“LEC”) - is any local exchange carrier that was as of February 8, 1996 deemed to be a member of the Exchange Carrier Association as set forth in 47 C.F.R. 69.601(b) of the FCC’s regulations.

Incomplete Call - Any call where voice transmission between the calling party and the called station is not established (i.e., busy, no answer, etc.).

Interexchange Carrier (IXC) - A long distance telecommunications services provider that furnished services between exchange areas irrespective of the type(s) of facilities or technologies used. For the purposes of this Tariff, the term Interexchange Carrier is synonymous with the term Customer as defined herein.

Local Access Transport Area (“LATA”) - A geographic area for the provision and administration of communications services existing on February 8, 1996, as previously established by the U.S. District Court for the District of Columbia in Civil Action No. 82-0192; or established by a Bell operating company after February 8, 1996 and approved by the FCC; or any other geographic area designated as a LATA in the National Exchange Carrier Association (NECA) Tariff F.C.C. No. 4.

Local Exchange Company (LEC) - A company that furnishes local exchange telephone services.

Local Exchange Service - is an arrangement which connects the residential End User’s location to the LEC’s network switching center, thereby allowing End User to transmit and receive local calls within the End User’s local calling area, or mandatory expanded area service (EAS) area, as defined by State commissions or, if not defined by State commission, then defined in the LEC’s State Tariffs.

Location - A physical premise to or from which Sage provides Service.

NXX - The designation for the first three digits of a local telephone number where N represents 2-9 and X represents 0-9.

Night/Weekend - The words “night/weekend” mean 11:00 p.m. to, but not including, 8:00 a.m. local time in the originating city, all day on Saturday, and all day Sunday, except from 5:00 p.m. to, but not including, 11:00 p.m.

Nonbusiness Hours - The phrase “nonbusiness hours” means the time period after 5:00 p.m. and before 8:00 a.m., Monday through Friday, all day Saturday, Sunday, and on holidays.

NPA - Numbering Plan Area or area code.

Other Common Carrier - Denotes a specialized or other type of common carrier authorized by the Federal Communications Commission to provide domestic or international communications service.

Premises - A building, portion of a building in a multi-tenant building, or buildings on a continuous property not separated by a highway. May also denote a customer-owned enclosure or utility vault located above or below ground on private property or on Customer acquired right-of-way.

PIC - Primary Interexchange Carrier.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

SECTION 1 – DEFINITIONS AND ABBREVIATIONS, (CONT'D)

Regular Billing - A standard bill sent in the normal monthly Sage billing cycle. This billing consists of one bill for each account assigned to the Customer with explanatory detail showing the derivation of the charges.

Residential Service - The phrase "residential service" means telecommunication services used primarily as nonbusiness service.

Services - The Company's common carrier communications services provided under this Tariff.

Subscriber - The term "Customer" is synonymous with the term "subscriber".

Switch - The term "switch" denotes an electronic device that is used to provide circuit sharing, routing, and control.

Timely Payment - A payment on a Customer's account made on or before the due date.

Underlying Carrier - A provider of interstate telecommunications services from whom the Company acquires facilities or services that it utilizes to provide the Company's services to Customers.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 2 - RULES AND REGULATIONS****2.1 Undertaking of Sage**

- 2.1.1. Sage undertakes to provide facilities based and resold local exchange and intraLATA telecommunications services within the State of Idaho on the terms and conditions and at the rates and charges specified herein. The Company's intrastate interexchange services are only provided to customers subscribed to the Company's local exchange services.
- 2.1.2. Sage installs, operates and maintains the communication Services provided hereunder in accordance with the terms and conditions set forth under this Tariff. It may act as the Customer's agent for ordering access connection facilities provided by other carriers or entities when authorized by the Customer to allow connection of a Customer's location to the Sage network. The Customer shall be responsible for all charges due for such service arrangements.
- 2.1.3. Sage's Services and facilities are available twenty-four (24) hours per day, seven (7) days per week.

**2.2 Use of Service**

- 2.2.1. Services provided under this Tariff may be used only for the transmission of communications in a manner consistent with the terms of this Tariff and regulations of the Federal Communications Commission.
- 2.2.2. Services provided under this Tariff shall be refused or discontinued to a Customer without notice in the event of a national or local emergency in which the Company has reason to believe that its services may be used for causing terrorist acts or harm to citizens.
- 2.2.3. Services provided under this Tariff shall not be used for unlawful purposes. Service will not be furnished if any law enforcement agency, acting within its jurisdiction, advises that such services are being used in violation of the law.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

## SECTION 2 - RULES AND REGULATIONS, (CONT'D)

**2.3**     **Limitations**

- 2.3.1     Service is offered subject to the availability of the necessary facilities or equipment, or both facilities and equipment, and subject to the provisions of this Tariff. The obligation of Sage to provide Service is dependent upon its ability to procure, construct, and maintain facilities that are required to meet the Customer's order for Service. Sage will make all reasonable efforts to secure the necessary facilities.
- 2.3.2     Sage reserve the right to limit or to allocate the use of existing facilities, or to additional facilities offered by Sage, when necessary because of lack of facilities, relevant resources, or due to causes beyond Sage's control. In addition, Sage reserves the right to discontinue Service when the Customer is using the Service in violation of law or the provisions of this Tariff.
- 2.3.3     Sage does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission nor for failure to establish connections.
- 2.3.4     Sage reserves the right to refuse service to Customers due to insufficient or invalid charging information.
- 2.3.5     Sage may block calls that are made to certain cities or central office exchanges, or use certain Authorization Codes as Sage, in its sole discretion, deems reasonably necessary to prevent unlawful or fraudulent use of Service.
- 2.3.6     Sage will use reasonable efforts to maintain only the facilities and equipment that it furnishes to the Customer. Sage may substitute, change, or rearrange any equipment or facility at any time and from time to time, but shall not thereby alter the technical parameters of the service provided the Customer. Sage shall have the right to make necessary repairs or changes in its facilities at any time and will have the right to suspend or interrupt service temporarily for the purpose of making the necessary repairs or changes in its system. When such suspension or interruption of service for any appreciable period is necessary, Sage will give the Customers who may be affected reasonable notice thereof as circumstances will permit, and will prosecute the work with reasonable diligence, and if practicable at time that will cause the least inconvenience. When Sage is repairing or changing its facilities, it shall take appropriate precautions to avoid unnecessary interruptions of Customer's service.
- 2.3.7     Sage may refuse, suspend, limit, or cancel the customer's ability to receive inbound collect calls immediately and without prior notice in the event that usage of collect calling and/or third party number calls is suspected to be fraudulent or beyond the customer's ability to pay. The customer's ability to receive or complete such calls shall be reinstated shall be reinstated upon receipt of payment for all current charges.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

## SECTION 2 - RULES AND REGULATIONS, (CONT'D)

**2.3**     **Limitations** (cont'd)

- 2.3.8     Sage may refuse, suspend, limit, or cancel a customer's service, without prior notice, in the event that the usage or acts of the customer are such to indicate intention to defraud the Company. This includes fraudulently placing and receiving calls and/or providing false credit information, or misrepresentation of the customer's identity for the purpose of obtaining basic local exchange service.
- 2.3.9     Abuse or fraudulent use includes, but is not limited to situations described in Section 2.3.5, 2.3.7, or 2.3.8:
- 2.3.9.A. the use of service or facilities of the Company for a call or calls anonymous or otherwise, if in a manner reasonably to be expected to frighten, abuse, torment or harass another;
  - 2.3.9.B. the use of profane or obscene language;
  - 2.3.9.C. the impersonation of another with fraudulent intent;
  - 2.3.9.D. the use of the service in such a manner as to interfere with the service of others or to prevent others from making or receiving calls over their telephone service;
  - 2.3.9.E. the use of the service for any purpose other than as a means of communication;
  - 2.3.9.F. the use of service or facilities of the Company to transmit a message or to locate a person or otherwise to give or obtain information, without the payment of the applicable local message charge or message toll charge; and
  - 2.3.9.G. the obtaining, or attempting to obtain, or assisting another to obtain or attempt to obtain, local or message toll telephone service, by rearranging, tampering with, or making connection with any facilities of the Company, or by any trick, scheme, false representation, or false credit device, or by or through any other fraudulent means or device whatsoever, with intent to avoid the payment, in whole or part, of the regular charge for such service.
  - 2.3.9.H. when the customer is known to have planned or participated in terrorism or in acts that may cause harm to citizens.
  - 2.3.9.I. when the Company has reason to believe that its services may be used for causing terrorist acts or harm to citizens.
- 2.3.10    The Company may refuse to provide Service at an address where Service has been discontinued for non-payment of bills for any Service subject to this Tariff if it is determined that the nonpayment customer or real users of the Service still reside at the address.
- 2.3.11    The Company reserves the right to discontinue service, limit service, or to impose requirements as required to meet changing regulatory or statutory rules and standards, or when such rules and standards have an adverse material affect on the business or economic feasibility of providing service, as determined by the Company in its reasonable judgment.
- 2.3.12    No Company services specified herein shall be provided until after the Company has completed, to its satisfaction, testing of such services and of Company systems, processes and procedures

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

## SECTION 2 - RULES AND REGULATIONS, (CONT'D)

**2.4 Liabilities of Sage**

- 2.4.1 Sage's liability for damages arising out of mistakes, omissions, interruptions, delays, errors, or defects in the installation, provision, termination, maintenance, repair, or restoration occurring in the course of furnishing service, channels, or other facilities, and not caused by the negligence of the subscribers, commences upon activation of service. In no event does Sage's liability exceed an amount equivalent to the amount paid by the Customer for the period of service during which such mistakes, omissions, interruptions, delays, errors or defects occur. For the purposes of computing such amount, a month is considered to have thirty (30) days. Credit will be calculated pursuant to Section 2.9 of this Tariff.
- 2.4.2 When the facilities of other carriers are used in establishing connections to points not reached by Sage's facilities, Sage is not liable for any act or omission of the other carrier(s). The Customer will indemnify and save harmless Sage from any third-party claims for such damages referred to in Section 2.4.1.
- 2.4.3 In no event will Sage be responsible for consequential damages or lost profits suffered by a Customer as a result of interrupted or unsatisfactory service. Sage will not be liable for claims or damages resulting from or caused by: (i) Customer's fault, negligence or failure to perform Customer's responsibilities; (ii) claims against Customer by another party; (iii) any act or omission of any other party; or (iv) equipment or service furnished by a third party.
- 2.4.4 Sage does not guarantee or make any warranty with respect to any equipment provided by it or leased on the Customer's behalf where such equipment is used in locations containing an atmosphere which is explosive, prone to fire, dangerous or otherwise unsuitable for such equipment. The Customer shall indemnify and hold Sage harmless from any and all loss, claims, demands, suits or other actions, or any liabilities whatsoever, whether suffered, made, instituted or asserted by the Customer or by any other party or persons, for any personal injury or death of any person or persons, and for any loss, damage or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal, presence, condition, location or use of such equipment so used.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

## SECTION 2 - RULES AND REGULATIONS, (CONT'D)

**2.4 Liabilities of Sage (cont'd)**

- 2.4.5 Sage is not liable for any defacement of, or damage to, the premises of a Customer resulting from the furnishing of services or the attachment of equipment, instruments, apparatus, and associated wiring furnished by Sage on such Customer's premises or by the installation or removal thereof, when such defacement or damage is not the result of Sage negligence. No agents or employees of other participating carriers shall be deemed to be agents or employees of Sage without written authorization. The Customer will indemnify and save harmless Sage from any claims of the owner of the Customer's premises or other third party claims for such damages.
- 2.4.6 Sage and Customer shall be excused from performance under this Tariff and under the application for service for any period, and to the extent that the party is prevented from performing any service pursuant hereto, in whole or in part, as a result of delays caused by the other party or an Act of God, governmental agency, war, civil disturbance, court order, lockouts or work stoppages or other labor difficulties, third party nonperformance (including the failure of performance for reasons beyond the control of common carriers, interexchange carriers, local exchange carriers, suppliers and subcontractors), or other cause beyond its reasonable control, including failures or fluctuations in electrical equipment, and such nonperformance shall not be deemed a violation of this Tariff or of the application for service or grounds for termination of service. Both parties retain all rights of recourse against any third parties for any failures which may create a force majeure condition for the other party.
- 2.4.7 Sage is not liable for any damages, including toll usage charges, the Customer may incur as a result of the unauthorized use of its telephone facilities. This unauthorized use of the Customer's facilities includes, but is not limited to, the placement of calls from the Customer's premises, and the placement of calls through Customer-provided equipment that are transmitted or carried on the Sage network.
- 2.4.8 Where there is a connection via Customer-provided terminal equipment or Customer-provided communications systems, the point of demarcation shall be defined as the Sage facility that provides interconnection. Sage shall not be held liable for Customer-provided access media or equipment. Any maintenance service or equipment arrangements shall be addressed on an individual case basis.
- 2.4.9 Sage will not be responsible if any changes in its service cause hardware or software not provided by Sage to become obsolete, require modification or alternation, or otherwise affect the performance of such hardware or software.
- 2.4.10 The Company shall use reasonable efforts to make services available by the estimated service date. The Company shall not be liable for any damages whatsoever resulting from delays in meeting the estimated service date due to delays resulting from normal installation procedures. Such delays shall include, but not be limited to delays in obtaining necessary regulatory approvals for construction, delays in obtaining right-of-way approvals, delays in actual construction work being done by our vendor(s), and any delays due to any LEC where the Company is relying solely upon such LEC to meet such estimated due date which is beyond the Company's control.

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Issued By:  
Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 2 - RULES AND REGULATIONS, (CONT'D)****2.4 Liabilities of Sage (cont'd)**

2.4.11 With respect to the services, materials and equipment provided hereunder, Sage makes no promises, agreements, understandings, representations or warranties, expressed or implied, and hereby expressly disclaims all warranties, expressed or implied, not stated in this Tariff, and in particular disclaims all warranties of merchantability and fitness for a particular purpose.

2.4.12 Exculpatory Clause

THE INCLUDED EXCULPATORY LANGUAGE DOES NOT CONSTITUTE A DETERMINATION BY THE COMMISSION THAT A LIMITATION OF LIABILITY IMPOSED BY THE COMPANY SHOULD BE UPHELD IN A COURT OF LAW. ACCEPTANCE FOR FILING BY THE COMMISSION RECOGNIZES THAT IT IS A COURT'S RESPONSIBILITY TO ADJUDICATE NEGLIGENCE AND CONSEQUENTIAL DAMAGE CLAIMS. IT IS ALSO THE COURT'S RESPONSIBILITY TO DETERMINE THE VALIDITY OF THE EXCULPATORY CLAUSE

**2.5 Responsibilities of the Customer**

2.5.1 The Customer must initiate a service order pursuant to Section 2.6 of this Tariff.

2.5.2 The Customer may not, nor may the Customer permit others to, rearrange, disconnect, remove, attempt to repair, or otherwise interfere with any of the facilities or equipment installed by Sage, except upon the written consent of Sage. The equipment Sage provides or installs at the Customer premises for use in connection with the service Sage offers shall not be used for any purpose other than for which it was provided.

2.5.3 The Customer shall ensure that the equipment and/or system is properly interfaced with Sage's facilities or service. If the Federal Communications Commission or some other appropriate certifying body certifies terminal equipment as being technically acceptable for direct electrical connection with interstate communications service, Sage will permit such equipment to be connected with its channels without the use of protective interface devices.

2.5.4 The Customer shall be responsible for securing its telephone equipment against being used to place fraudulent calls using Sage's service. The Customer shall be responsible for payment of all applicable charges for services provided by Sage and charged to the Customer's accounts, even where those calls are originated by fraudulent means either from Customer's premises or from remote locations.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

## SECTION 2 - RULES AND REGULATIONS, (CONT'D)

**2.5 Responsibilities of the Customer (cont'd)**

- 2.5.5 Sage shall be indemnified and held harmless by the Customer against claims of libel, slander, or the infringement of copyright, or for the unauthorized use of any trademark, trade name, or service mark, arising from the material transmitted over Sage's service, against claims for infringement of patents arising from, combining with, or using in connection with, service, Sage's apparatus and systems of the Customer; against all other claims arising out of any act or omission of the member in connection with Sage's service. The Customer shall be liable for:
- 2.5.5.A. Loss due to theft, fire, flood, or other destruction of Sage's equipment or facilities on Customer's premises.
  - 2.5.5.B. Reimbursing Sage for damages to facilities or equipment caused by the negligence or willful acts of the Customer's officers, employees, agents or contractors.
  - 2.5.5.C. Charges incurred with interconnect or local operating companies for service or service calls made to the Customer's premises or on the Customer's leased or owned telephonic equipment unless Sage specifically authorizes said visit or repairs in advance of the occurrence and Sage agrees in advance to accept the liability for said repairs or visit.
  - 2.5.5.D. Payment for all Sage service charges incurred through usage or direct action on the part of the Customer.
- 2.5.6 The Customer may be required to verify in writing that it is duly authorized to order service at all locations designated by the Customer for service, and assumes financial responsibility for all locations designated by the Customer to receive Sage's services. If the verification (i.e., a letter of authorization) cannot be produced within five (5) calendar days of the request, the presubscription of the Customer's locations are considered unauthorized.
- 2.5.7 The Customer shall not use the Sage name, logo or trademark in any promotional materials, contracts, Tariffs, service bills, etc., without expressed written authorization from Sage. The Customer shall not use the Sage name, logo or trademark in any pre-sale activities. The Customer is prohibited from using Sage's name or trademark on any of the Customer's products or services.
- 2.5.8 Customer may not assign or transfer any of its rights or services ordered without the prior written consent of Sage. Sage may assign any service orders to its parent company or any affiliate. Sage will notify Customers of any such assignment.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

## SECTION 2 - RULES AND REGULATIONS, (CONT'D)

**2.6 Application for Service**

- 2.6.1 Applicants wishing to obtain service must initiate a service order which may include the Customer's authorization for Sage to instruct other carriers and vendors and the appropriate LEC to provide certain services on the Customer's behalf. Sage will obtain the proper authorization from the Customer where necessary, pursuant to PUC regulations.
- 2.6.2 An Application for Service may be changed by Customer upon written notice to Sage, subject to acceptance and confirmation by Sage, provided that a charge shall apply to any change when the request is received by Sage after notification by Sage of the acceptance and confirmation. Such charge shall be the sum of the charges and costs for access facilities and other services and features and the lesser of (i) the monthly recurring rate for each service component that has been canceled as a result of the change times the appropriate minimum service period, plus the applicable installation or non-recurring charges, and (ii) the costs incurred by Sage in accommodating each change, less net salvage. The costs incurred by Sage will include the direct and indirect cost of facilities specifically provided or used, the costs of installation, including design preparation, engineering, supply expense, labor and supervision, general and administrative, and any other costs resulting from the preparation, installation and removal effort.
- 2.6.3 Where the Customer or applicant cancels an Application for Service prior to the start of installation of service, lease of network elements, or prior to the start of special construction, no charge applies. Where installation of service has been started prior to the cancellation, a cancellation charge equal to the costs incurred by Sage shall apply, but in no case shall such charge exceed the charge for the minimum period of the service ordered, including applicable installation charges, if any. The costs incurred by Sage will include the direct and indirect costs of facilities specifically leased, provided or used; the cost of installation, including design preparation, engineering, supply expense, labor and supervision, general and administrative, and any other costs resulting from the preparation, installation and removal effort.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 2 - RULES AND REGULATIONS, (CONT'D)

**2.7 Establishing Credit, Deposits and Advance Payments**

2.7.1 Credit Requirement

2.7.1.A.. Sage may require an applicant for service to satisfactorily establish credit, but such establishment of credit shall not relieve the end-user from complying with Sage's policy regarding the prompt payment of bills.

2.7.1.B. For the purposes of this rule, "applicant" is to be defined as a person who applies for service for the first time or reapplies at a new or existing location after a previous discontinuance of service; "customer" is defined as someone who is currently receiving service.

2.7.2 Reestablishment of Credit

Any applicant who previously has been an end-user of Sage and whose service has been discontinued for nonpayment of bills shall be required, before service is rendered, to pay all amounts due Sage or execute a deferred payment agreement.

2.7.3 Deposits and Interest

The Company does not require deposits at this time.

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Robert W. McCausland  
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805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 2 - RULES AND REGULATIONS, (CONT'D)****2.7 Establishing Credit, Deposits and Advance Payments (cont'd)****2.7.4 Advance Payments**

To safeguard its interest, the Company may require a Customer to make an advance payment before services and facilities are furnished. The advance payment will not exceed an amount equal to two month's service charges and/or the service connection and/or equipment charges plus applicable taxes, fee, and surcharges which may be applicable as well as any nonrecurring charges for any required special construction. The amount of the first months' service is credited to the Customer's account on the first bill rendered. The Company may not require advance payments for usage. An advance payment may be required in addition to a deposit.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

## SECTION 2 - RULES AND REGULATIONS, (CONT'D)

**2.8 Payment of Charges**

- 2.8.1 The Customer is responsible for the payment of all charges for facilities and services furnished by Sage to the Customer and to all Users authorized by the Customer, regardless of whether those services are used by the Customer itself or are resold to or shared with other persons.
- 2.8.2 For billing of monthly charges, service is considered to be established upon the day in which Sage notifies the Customer of installation and testing of the Customer's services.
- 2.8.3 Except where otherwise specified, usage charges will be billed monthly in arrears. Customer will be billed for all usage accrued beginning immediately upon access to the service. Customers will be billed for usage occurring during their specific 30-day billing cycle, which for purposes of computing charges shall be considered a month. The rates charged to a Customer will be the rates in effect on the first day of the Customer's billing cycle.
- 2.8.4 Monthly charges for all access service components, provided hereunder, are billed in advance of service and reflect the rates in effect as of the date of the invoice. A Customer's first invoice may contain charges from previous periods for service provided from the date of installation through the current invoice period.
- 2.8.5 Bills are due and payable as specified on the bill. Bills may be paid by mail or in person at the business office of Sage or an agency authorized to receive such payment. All charges for service are payable only in United States currency. Payment may be made by cash, check, money order, cashier's check, or certain major credit cards. Customer payments are considered prompt when received by Sage or its agent by the due date on the bill. Amounts not paid within sixteen (16) days after the mail date of invoice will be considered past due. If Sage becomes concerned at any time about the ability of a Customer to pay its bills, Sage may require that the Customer pay its bills and make such payments in cash or the equivalent of cash.
- 2.8.6 If any portion of the payment is not received by Sage by the due date, or if any portion of the payment is received by Sage in funds that are not immediately available upon presentment, then a late payment penalty may be assessed. Charges greater than \$50.00 left unpaid after the due date are subject to a late payment charge of \$6.00. If the payment due date falls on a Saturday, Sunday, legal holiday or other day when the offices of the Company are closed, the date for acceptance of payments prior to assessment of any late payment fees shall be extended through to the next business day. The late payment penalty shall apply to all customers.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
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Allen, Texas 75013-2789

## SECTION 2 - RULES AND REGULATIONS, (CONT'D)

**2.8 Payment of Charges (cont'd)**

- 2.8.7 Any disputed charge may be brought to Sage's attention by verbal or written notification. In the case of a billing dispute between the Customer and Sage that cannot be settled to their mutual satisfaction, the undisputed portion and subsequent bills must be paid on a timely basis, or the service may be subject to disconnection. The Customer may request an in-depth investigation into the disputed amount and a review by a Sage manager. During the period that the disputed amount is under investigation, Sage shall not pursue any collection procedures or assess late fees with regard to the disputed amount. The Customer shall be required to pay the undisputed part of the bill, and if not paid, Sage may discontinue service. In the event the dispute is not resolved, Sage shall inform the customer that the customer has the option to pursue the matter with the PUC.
- 2.8.8 The Customer is responsible to pay Sage for all toll calls or other third party charges resulting from the origination of calls to points outside the local exchange and for charges or calls billed to the Customer's number.
- 2.8.9 Sage may assess up to a twenty dollar (\$20) charge for each returned check or credit card chargeback.
- 2.8.10 If service is suspended/disconnected by Sage in accordance with the provisions of the Tariff and later restored, restoration of service will be subject to all applicable installation charges. In addition to the installation charges, the customer will be required to pay all charges due, including the charges for the period of denial. For nonusage sensitive charges, Customer will be liable for the entire monthly recurring charge during the month Customer's service terminates.
- 2.8.11 When circumstances prevent customers from paying their invoices in full, Sage may make special accommodations to assist customers by setting up a regular payment plan. Payment plans are only set up at the request of the customer. Payment plans are intended to function as a short-term solution and will be reviewed and approved on an individual case basis.
- 2.8.12 All payments received by Sage will first be allocated to tariffed basic local exchange telephone service. For purposes of this allocation, basic local exchange telephone service shall be flat rate, single party residential and business local exchange telephone service, including primary directory listings; tone dialing service; access to operator services; access to directory assistance services; access to 911 service where provided by a local authority; dual party relay service; the ability to report service problems seven days a week; availability of an annual local directory; access to toll services, and lifeline and tel-assistance services.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

## SECTION 2 - RULES AND REGULATIONS, (CONT'D)

**2.9 Interruption of Service**

- 2.9.1 Credit allowance for the interruption of service that is not due to Sage's testing or adjusting, negligence of the Customer or to the failure of channels or equipment provided by the Customer, are subject to the general liability provisions set forth herein. It shall be the obligation of the Customer to notify Sage immediately of any interruption in service for which a credit allowance is desired. Before giving such notice, the Customer or end-user shall ascertain that the trouble is not being caused by any action or omission by the Customer within his or her control, or is not in wiring or equipment, if any, furnished by the Customer and connected to Sage's facilities.
- 2.9.2 For purposes of credit computation, every month shall be considered to have 720 hours.
- 2.9.3 The Company will restore service within sixteen (16) hours after the report of the outage if the Customer notified the Company that the service creates an emergency or within twenty-four (24) hours if no emergency exists. Outages reported between noon on Saturday and 6:00 pm on the following Sunday will be restored within forty-eight (48) hours or by 6:00 pm on the following Monday, whichever is sooner.
- 2.9.4 If the Company does not restore services within the times specified in Section 2.9.3, the Company will credit the Customer's account for an amount equal to the monthly rate for one (1) month of basic local exchange service.
- 2.9.5 The Customer shall be credited for an interruption at the rate of 1/720th of the monthly charge for the facilities affected for each hour or major fraction thereof that the interruption continues.

Credit Formula:

$$\text{Credit} = \frac{A}{720} \times B$$

"A" - outage time in hours  
 "B" - total monthly charge for affected facility

- 2.9.6 If written notice of a dispute as to charges is not received by the Company within thirty (30) days of the date a bill is issued, such charges shall be deemed to be correct and binding on the Customer.
- 2.9.7 Cellular and other wireless transmission and Internet-based calling is subject to interruptions including but not limited to, dropped calls, interrupted calls, unintelligible calls, one-way audio and other problems created by factors beyond Company's control. Under no circumstances will Company provide credit or payment of any kind for calls that experience problems related to cellular or other wireless transmissions or for calls that experience problems related to Internet-based communications including but not limited to those calls that transcend wireline and Voice over Internet Protocol ("VoIP") networks.

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Issued By:  
 Robert W. McCausland  
 Vice President and Secretary  
 Sage Telecom, Inc.  
 805 Central Expressway South, Suite 100  
 Allen, Texas 75013-2789

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**SECTION 2 - RULES AND REGULATIONS, (CONT'D)****2.10 Restoration of Service**

The use and restoration of service shall be in accordance with the priority system specified in part 64, Subpart D of the Rules and Regulations of the Federal Communications Commission.

**2.11 Disconnection of Service by Customer**

- 2.11.1 By giving advance written notice, Customer may disconnect service at any time following its minimum service requirement(s).
- 2.11.2 Sage will have up to 30 days to complete disconnect. Customer will be responsible for all new charges for that 30-day period or until disconnect is effected, whichever is sooner, and shall remain responsible for all unpaid charges incurred irrespective of when such charges were incurred. This 30-day period will begin upon receipt of the written notification from the Customer. However, in the event that Customer continues to utilize Sage's services beyond the date upon which the services are to be disconnected, the Customer will be liable for the additional charges incurred.
- 2.11.3 For nonusage sensitive charges, Customer will be liable for the entire monthly recurring charge during the month Customer's service terminates.
- 2.11.4 If the Customer disconnects service prior to the end of a term plan, the termination liabilities associated with the term plan will apply.
- 2.11.5 If a customer purchases Sage's bundled offering and subsequently disconnects Sage's local service and purchases local service from a different carrier, the customer can contact Sage to obtain the proper PIC code for the third-party provider of long-distance services.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

## SECTION 2 - RULES AND REGULATIONS, (CONT'D)

**2.12 Cancellation for Cause**

- 2.12.1 Sage, by giving prior written notice, seven (7) calendar days, to the Customer or applicant, may cancel the application for or discontinue service without incurring any liability for any of the following reasons:
- 2.12.1.A For non-residential customers, nonpayment of any tariffed charges due to Sage for service for more than 16 days beyond the mail date of the bill for such service. In the event Sage terminates service for nonpayment, the Customer may be liable for all reasonable costs of collection including reasonable court costs, expenses and fees; or
- 2.12.1.B For non-residential customers, nonpayment of any tariffed charges due to Sage for service for more than 16 days beyond the mail date of the bill on any Sage account regardless of whether the application or service being canceled is related or unrelated to the account or service for which the sum is past due; or
- 2.12.1.C For residential customers, nonpayment of tariffed basic local exchange telephone service as defined in Section 2.8.12 due to Sage for service more than 16 days beyond the mail date of the bill for such service. Service may be terminated for nonpayment of the basic local exchange telephone service, or any costs arising there from based on the listing of services in Section 2.8.12. If the customer subscribes to a package of bundled services that includes some amount of toll minutes, and the customer does not pay the bill in full, Sage reserves the right to remove the toll services from the packaged bundle and institute toll blocking. If the customer then does not pay for toll services incurred after toll blocking is instituted, full service may be disconnected. In addition, if a customer incurs fees associated with operator service use or directory assistance use and does not make full payment for those services, service may be terminated for nonpayment. In the event Sage terminates service for nonpayment, the Customer may be liable for all reasonable costs of collection including reasonable court costs, expenses and fees; or
- 2.12.1.D For residential customers, nonpayment of tariffed basic local exchange telephone service due to Sage for service for more than 16 days beyond the mail date of the bill on any Sage account regardless of whether the application or service being canceled is related or unrelated to the account or service for which the sum is past due; or

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

## SECTION 2 - RULES AND REGULATIONS, (CONT'D)

**2.12 Cancellation for Cause (cont'd)**

## 2.12.1 (cont'd)

2.12.1.E A violation of or a failure to comply with, any regulation of this Tariff. The discontinuance of service(s) by Sage pursuant to this section does not relieve the Customer of any obligation to pay Sage for changes due and owing for service(s) furnished up to the time of discontinuance; or

2.12.1.F Sage confirms that both a phone number and mailing address are no longer valid for the Customer; or

2.12.1.G Sage is prohibited from furnishing service by order of a court or other government authority having jurisdiction; or

2.12.1.H Avoidance of toll blocking by incurring long distance charges after toll blocking was implemented due to non-payment of long distance charges; or

2.12.1.I Failure to make deferred payment arrangements by the suspend/disconnect date.

2.12.2 Sage, without giving prior written notice, may discontinue service without incurring any liability for:

2.12.2.A Tampering with Sage Telecom's equipment; or

2.12.2.B Evidence of theft of Sage Telecom service; or

2.12.2.C Other acts to defraud Sage Telecom.

2.12.3 If service is terminated by Sage for any cause set forth above and the Customer has subscribed to service under a term plan, the Customer will be charged the termination liability associated with the term plan.

2.12.4 Service may also be discontinued if the Customer fails to post the deposit required by the Tariff.

2.12.5 If service is disconnected for nonpayment, the Customer may restore service by full payment in cash or cash-like funds. There is a charge for restoration of service after disconnection; if, however, the equipment necessary for service has been removed, a complete activation fee will apply.

2.12.6 For nonusage sensitive charges, Customer will be liable for the entire monthly recurring charge during the month Customer's service terminates.

2.12.7 If the Customer disconnects service prior to the end of a term plan, the termination liabilities associated with the term plan will apply.

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Sage Telecom, Inc.  
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Allen, Texas 75013-2789

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**SECTION 2 - RULES AND REGULATIONS, (CONT'D)****2.13 Notice and Communication**

- 2.13.1 The Customer shall designate on the Application for Service an address to which Sage shall mail or deliver all notices and other communications, except that Sage may also designate a separate address to which Sage's bills for service shall be mailed.
- 2.13.2 Sage shall designate on the Application for Service an address to which the Customer shall mail or deliver all notices and other communications, except that Sage may designate a separate address on each bill for service to which the Customer shall mail payment on that bill.
- 2.13.3 All notices or other communications required to be given pursuant to this Tariff shall be made in writing to Sage at 805 Central Expressway South, Suite 100, Allen, Texas 75013-2789 or by calling (214) 495-4700. Notices and other communications of either party, and all bills mailed by Sage, shall be presumed to have been delivered to the other party on the third business day following placement of the notice, communication or bill with the U. S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.
- 2.13.4 Sage or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 2 - RULES AND REGULATIONS, (CONT'D)****2.14 Taxes, Surcharges and Utility Fees**

Customer is responsible for the payment of all federal, state and local taxes, surcharges, utility fees, or other similar fees (i.e., gross receipts tax, sales tax, municipal utilities tax, 911 surcharges or fees) that may be levied by a governing body or bodies in conjunction with or as a result of the service furnished under this Tariff. These charges will appear as separate line items on the Customer's bill and are not included in the rates contained in this Tariff. There shall be added to the Customer's bill for service, an additional charge equal to the pro rata share of any occupation, franchise, business, license, excise privilege or other similar charge or tax, now or hereafter imposed upon the gross receipts or revenue of Sage by any municipal taxing body or municipal authority whether by statute, ordinance, law or otherwise, and whether presently due or to hereafter become due. The charge applicable to each Customer will appear as a separate line item on the Customer's regular monthly bill and shall be determined on a basis equal to the tax levied by each municipal taxing body or municipal authority.

**2.14.1 Municipal Franchise Fees**

Residential, non-residential and point-to-point access lines provided pursuant to this tariff are subject to a municipal franchise fee as established for the city, municipality, or other community ("municipality") in which the end user of the access lines is located. The monthly recurring municipal charge will be equal to a monthly amount developed using criteria as recommended by your local municipality with information supplied to this local certificated telecommunications provider (CTP). The fee should be assessed as a per-line-charge on the end user bill.

**2.15 Customer Billing Inquiries**

Any customer who has a question regarding his/her telephone bill may contact Sage toll free at (888) 449-4940, or at 805 Central Expressway South, Suite 100, Allen, Texas 75013-2789.

**2.16 Public Switched Network Recovery Charge**

The Public Switched Network Recovery Charge is a monthly recurring charge which is applied on a per customer access line basis. This fee is intended to recover costs to access the public switched network for local service.

**2.17 Conflicts Between Tariff and Commission Rules**

If this tariff contains provisions that deny or restrict a Customer's rights otherwise protected by Commission rules, the Commission rules supersede any conflicting tariff provisions that deny or restrict any of those rights unless otherwise ordered by the Commission, court order or statute.

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Vice President and Secretary  
Sage Telecom, Inc.  
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Allen, Texas 75013-2789

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**SECTION 3 - DESCRIPTION OF SERVICES****3.1 Telecommunications Services**

3.1.1. General - Telecommunications Services consist of the services offered pursuant to this Tariff, either individually or in combination. Intrastate interexchange services are only provided in conjunction with the Company's local exchange services, and no alternative arrangements will be made to provide these services to a customer that is not subscribed to the Company's local exchange service. Each service is offered via Sage's facilities, conventional network elements purchased from other local exchange carriers, or via resale of facilities of other local exchange carriers for the transmission of one-way or two-way communications, unless otherwise noted. A connection to Sage's switching network enables the Customer to:

1. receive calls from other stations on the public switched telephone network;
2. access Sage's Local and intraLATA calling services as set forth in this Tariff;
3. access intrastate, interstate and international calling services provided by Sage and other certified common carriers;
4. access toll-free telecommunications services such as 800 NPA;
5. access 9-1-1 service for emergency calling; and
6. access other operator and directory assistance services.

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Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 3 - DESCRIPTION OF SERVICES, (CONT'D)

**3.1 Telecommunications Services (cont'd)**

- 3.1.2 Local Exchange Service - Service provides Residential and Business Customers with the ability to originate calls from a Sage-provided access line to all other stations on the public switched telephone network bearing the designation of any central office exchanges included in the Customer's local calling area. Calls to destinations outside the local calling area but within the same state and LATA will be charged the intraLATA toll rates. IntraLATA services are available on a switched basis only.

Following are types of orders for Local Exchange Service that Sage will accept:

Conversions

New Installations

The following are types of customers and/or telephone lines Sage will convert:

Customers with active local telephone service on QWEST's access lines ("local loops"). Subscribers of QWEST's Prepaid Local Telephone Service (PLTS) or Prepaid Home Service (PHS) do not qualify under this definition.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 3 - DESCRIPTION OF SERVICES, (CONT'D)****3.1 Telecommunications Services (cont'd)****3.1.2. Local Exchange Service (cont'd)**

## New Installations

Following are types of new line installations that Sage Telecom will perform:

1. Additional new lines for Sage Telecom customers who have service or are in the process of converting existing service at that location to Sage Telecom.
2. Physical move of lines and service for existing Sage Telecom customers to a new location.
3. Installation of lines at locations that have never had local telephone service, with the exception of physical moves noted under item 2 above.
4. New installations where the Customer is not converting existing local telephone service.

Residential and Business Customers may choose from one of the Local Service Plans in Section 3.1.4 and are assessed a flat monthly fee based on their local service plan(s) and originating exchange that entitles the customer to unlimited voice usage.

3.1.2.A. Business Services - Business Services provide the Customer with the general telecommunications services listed in Section 3.1.1 of this Tariff with the following modifications, limitations and restrictions:

1. Business Services cannot be used to originate calls to other telephone companies' caller-paid information services (e.g., N.A. 900, NXX 976, etc.). Calls to those numbers and other numbers used for caller-paid information services will be blocked by Sage, unless otherwise requested by customer to be unblocked.
2. Service is furnished only for use by the Business Customer, guests, employees and business associates.

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Issued By:  
Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 3 - DESCRIPTION OF SERVICES, (CONT'D)****3.1 Telecommunications Services (cont'd)****3.1.2. Local Exchange Service (cont'd)****3.1.2.A. Business Services**

3. Service is available whenever the use of the service is primarily or substantially of a business, professional institution or otherwise occupation nature, or where the listing required is such as to indicate business use. Business rates are applicable to:
  - a. Offices, stores, factories, boarding houses, offices of hotels and apartment houses, colleges, public, private or parochial schools, hospitals, nursing homes, libraries, institutions, churches and all other establishments of a strictly business nature.
  - b. Any location where a business designation is provided or when a title indicating a trade, occupation or profession is listed.
  - c. Service terminating solely on the answering service facilities of a telephone answering firm will carry business rates.
  - d. Residential locations where the Business customer has no regular business telephone service and the use of the service by the Business Customer, members of the household, or guests is of a business nature as may be indicated by advertising through newspapers, handbills, billboards, circulars, business cards, or otherwise.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

## SECTION 3 - DESCRIPTION OF SERVICES, (CONT'D)

**3.1 Telecommunications Services (cont'd)****3.1.2 Local Exchange Service (cont'd)**

3.1.2.B. Residential Services - Residential Services provide the Customer with the general telecommunications services listed in Section 3.1.1 of this Tariff and is not available to those locations governed by Section 3.1.2.A.

1. Residential Services cannot be used to originate calls to other telephone companies' caller-paid information services (e.g., N.A. 900, NXX 976, etc.). Calls to those numbers and other numbers used for caller-paid information services will be blocked by Sage, unless otherwise requested by the customer to be unblocked.
2. Residential service offerings that include unlimited usage are limited to use for residential voice applications. This includes service offerings providing for unlimited local usage, unlimited intraLATA usage and/or unlimited interLATA usage. No commercial use of any form is permitted for such unlimited service offerings. Incidental calling for dial-up Internet access, for data and fax type applications and for other restricted uses reflected in this tariff is permitted up to a maximum of 1200 minutes within any consecutive thirty-day period; any such usage beyond this threshold shall be presumed to be non-residential in nature. If, at any time, the Company determines that the Customer's usage is non-residential or is not consistent with use for residential voice applications, the Company may immediately take actions to enforce adherence to this tariff and to the Company's Statement of Terms and Conditions of Service that are applicable to interLATA and international long distance. Such actions may include the transition to a higher tier within the customer's existing service plan and the application of an High Usage Charge as specified in Section 4.1.14, following.

The High Usage Charge is applicable to all service plans whenever usage thresholds established in Section 4.1.14, following, are exceeded, including plans that offer unlimited usage and plans that do not offer unlimited usage. The existence of the High Usage Charge shall be communicated to the Customer in advance of its initial application, and shall thereafter apply automatically whenever the threshold is exceeded. Upon request, usage information will be provided pursuant to Section 4.1.4, following.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.

805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 3 - DESCRIPTION OF SERVICES, (CONT'D)****3.1 Telecommunications Services (cont'd)****3.1.2 Local Exchange Service (cont'd)****3.1.2.B. Residential Services – (cont'd.)**

For residential service offerings that include unlimited usage, the Company will notify the Customer in writing when the previous month's usage exceeds that normally associated with residential voice applications. Such written notice will inform the Customer that a higher tier rate will apply if, after two additional months, the usage remains above usage thresholds established in the existing service plan. Customers whose usage levels resulted in a higher-tier rate will, upon request, qualify for the lower-tier rate(s) after three consecutive months of usage below usage thresholds established in the existing service plan. The High Usage Charge is a separate element and applies independently of any unlimited plan rate tier.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

SECTION 3 - DESCRIPTION OF SERVICES, (CONT'D)

**3.1 Telecommunications Services (cont'd)**

3.1.3 Exchanges and Local Service Areas

3.1.3.A Sage provides residential and business telecommunications services, as described in this tariff, within the Qwest exchanges within the State of Idaho. The Company hereby mirrors the Map and Legal Description tariffs of Qwest, listed below to identify its service territory. Any future modifications to these exchange boundaries or legal descriptions of these boundaries will be automatically mirrored by the Company on a going forward basis. If not mirrored, new detailed maps and legal descriptions on an individual exchange basis will be filed with the commission for approval.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

## SECTION 3 - DESCRIPTION OF SERVICES, (CONT'D)

**3.1 Telecommunications Services (cont'd)**

## 3.1.3 Exchanges and Local Service Areas (cont'd)

## 3.1.3.B Local Calling Scopes

The Company hereby mirrors the local calling scopes as described in Section 4 of Qwest's Exchange Access Service Tariff. Any future modifications to these local calling scopes will be automatically mirrored by the Company on a going forward basis. If not mirrored, new detailed local calling scopes on an individual exchange basis will be filed with the commission for approval.

## 3.1.4. Local Service Plans

## 3.1.4.A. Residential Service

All Residential Service plans are subject to the application of an High Usage Charge pursuant to Section 4.1.14, following, and to other charges pursuant to this tariff.

## 1. Sage Simply Savings Preferred

The Sage Simply Savings Preferred Plan includes the following bundle of services:

- Basic Local Exchange Service, including unlimited local calling
- Caller ID Service – Free
- Sage Home Wire Maintenance - Free
- A choice of any of the following Custom Calling Features – Free:

Repeat Dialing	Call Waiting
Call Screen	Speed Calling 8
Call Forwarding	Three-Way Calling
Automatic Callback	Wait & See
MultiRing	

- 300 Sage 1+ long distance minutes each month. Applies to direct dialed, 1+ long distance or 1+ intraLATA toll calls made to points within the continental U.S., Alaska, Hawaii, Puerto Rico, and U.S. Virgin Islands. Rate for additional minutes is at a discounted \$0.04 rate.
- Discounts on additional services:  
Basic Voice Mail - \$4.95  
Enhanced Voice Mail - \$5.95  
eSageLink Dial Up - \$12.95

Eligibility: This plan is available to residential customers only. Customers must choose Sage as their intraLATA toll and interLATA long distance carrier to receive the free minutes of Sage 1+ long distance minutes each month.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.

805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 3 - DESCRIPTION OF SERVICES, (CONT'D)

**3.1. Telecommunications Services (cont'd)**

3.1.4. Local Service Plans

3.1.4.A. Residential Service (cont'd)

2. Sage Simply Savings Essentials

The Sage Simply Savings Essentials Plan includes the following bundle of services:

- Basic Local Exchange Service, including unlimited local calling
- Caller ID Service – Free
- Call Waiting Service - Free
- A choice of 1 of the following Custom Calling Features – Free:  
Wait & See  
Three-way Calling  
Call Forwarding
  
- 90 Sage 1+ long distance minutes each month. Applies to direct dialed, 1+ long distance or 1+ intraLATA toll calls made to points within the continental U.S., Alaska, Hawaii, Puerto Rico, and U.S. Virgin Islands

Eligibility: This plan is available to residential customers only. Customers must choose Sage as their intraLATA toll and interLATA long distance carrier to receive the free minutes of Sage 1+ long distance minutes each month.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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### EXPLANATION OF SYMBOLS

The following symbols shall be used in this tariff for the purpose indicated below:

- (C) - To signify changed regulation.
- (D) - To signify discontinued rate or regulation.
- (I) - To signify increased rate.
- (M) - To signify a move in the location of text.
- (N) - To signify new rate or regulation.
- (R) - To signify reduced rate.
- (S) - To signify reissued matter.
- (T) - To signify a change in text but no change in rate or regulation.

### TARIFF FORMAT

- A. Page Numbering - Page numbers appear in the upper right corner of the page. Each page is numbered sequentially. However, a new page is occasionally added to the Tariff. When a new page is added between those already in effect, a decimal is added. For example, a new page added between page 15 and page 16 would be page 15.1.
- B. Page Revision Numbers - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current page version on file with the Public Utilities Commission. For example, the 4th Revised Page 15 cancels the 3rd Revised Page 15.
- C. Paragraph Numbering Sequence - Each level of paragraph numbering herein is subservient to its next higher level as shown:
  - 2
  - 2.1
  - 2.1.1
  - 2.1.1.A
  - 2.1.1.A.(1)
  - 2.1.1.A.(1)(a)

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 1 - DEFINITIONS AND ABBREVIATIONS**

**Access** – A connection between a Customer Premises and a Point of Presence of an Interexchange Carrier for the transmission of typically, but not exclusively, voice, data or video/image information irrespective of the type(s) of facilities or technologies used.

**Access Line** - An arrangement that connects the Company's local exchange line to a Customer-designated Switching Center or Point of Presence.

**Access Minutes** - The increment for measuring usage of exchange facilities for the purpose of calculating chargeable usage.

**Access Service Request (ASR)** - The service order form that may be used in lieu of a Constructive Order by Access service Customers for the process of establishing, moving or rearranging Access services provided by the Company.

**Access Tandem** - A switching system that provides a traffic concentration and distribution function for originating or terminating traffic between End Offices and the Customer's Premises or Point of Presence.

**Account** – Either a Customer's physical location or individual Service represented by a unique account number within the billing system. Multiple services each with a unique account number may be part of one physical location.

**Answer Supervision** - The transmission of the switch trunk equipment supervisory signal (off-hook or on-hook) to a carrier's Point of Presence or Customer's terminal equipment as an indication that the called party has answered or disconnected.

**Application for Service** – The Company's order process that includes technical, billing and other descriptive information provided by Customer that allows the Company to provide requested or constructively-ordered communications Services for Customer and Customer's Authorized Users. Upon acceptance by the Company, the Application for Service or Constructive Order becomes a binding contract between Customer and the Company for the provision and acceptance of Service.

**Authorized User** – A person, firm, corporation, or other entity that is authorized by the Customer to be connected to the service of the Customer. In the case of Presubscription, the person, firm, corporation, or other entity that presubscribes through the standard industry process shall be deemed an Authorized User unless the Customer specifies in writing in advance that the person, firm, corporation, or other entity is not to become an Authorized User.

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Issued By:  
Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 1 - DEFINITIONS AND ABBREVIATIONS, (CONT'D)

Automatic Number Identification (ANI) - The automatic transmission of a caller's billing account telephone number to a local exchange company, Interexchange Carrier or a third party Customer. The primary purpose of ANI is for billing toll calls.

Bit - The smallest unit of information in a binary system of notation.

Bps - Bits per second. The number of bits transmitted in a one second interval.

Business Hours – The phrase “Business Hours” generally means the time beginning at 8:00 a.m. and ending at 5:00 p.m. local time at the place of Company operation, Monday through Friday excluding holidays.

Business Office – The phrase “Business Office” means the primary location where the business operations of the Company are performed and where a copy of the Company's tariffs are made available for public inspection. The address of the business office is 805 Central Expressway South, Suite 100, Allen, Texas 75013-2789.

Call - A Customer or End User attempt for which the complete address code (e.g., 0-, 911, or 10 digits) is provided to the Serving Wire Center, End Office or Access Tandem Switch.

Central Office - The premises of the Company or another local exchange carrier containing one or more switches where Customer or End User station loops are terminated for purposes of interconnection to other station loops, trunks or access facilities.

Channel - A communications path between two or more points.

CIC - The Carrier Identification Code assigned by the North American Numbering Plan Administrator.

Commission - Refers to the Idaho Public Utilities Commission.

Company - Used throughout this tariff to indicate Sage Telecom, Inc.

Competitive Local Exchange Carrier - (“CLEC”) or Alternative Local Exchange Carrier (“ALEC”) – means any entity or person providing local exchange services in competition with an ILEC or LEC.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 1 - DEFINITIONS AND ABBREVIATIONS, (CONT'D)**

Constructive Order - Delivery of calls to or acceptance of calls from the Customer's End Users over Company-switched local exchange services constitutes a Constructive Order by the Customer to purchase switched access services as described herein. Similarly the selection of the Customer by an End User as the End User's PIC constitutes a Constructive Order for switched access by the Customer.

CPE - Customer Premises Equipment. All Terminal Equipment or other communications equipment and/or systems provided by the Customer for use with the Company's facilities and services.

Customer - Any person, firm, partnership, corporation or other entity that uses service under the terms and conditions of this tariff and is responsible for the payment of charges. In most contexts, the Customer is an Interexchange Carrier utilizing the Company's Switched Access services described in this tariff to reach its End User customer(s). For the purposes of this Tariff, the term Customer is synonymous with the term Interexchange Carrier as defined herein.

Customer Premises - The premises specified by the Customer for termination of access services. The Customer Premises is typically an Interexchange Carrier's Point of Presence.

Dedicated Access - Where originating or terminating access between an End User and an Interexchange Carrier are provided via dedicated facilities, circuits or channels. A method of reaching the Customer's communication and switching systems whereby the End User is connected directly to the Customer's Point of Presence or designate without utilizing the services of the local switched network.

Delinquent or Delinquency - An account for which payment has not been made in full on or before the last day for timely payment.

DSO - Digital Signal Level 0; a dedicated, full duplex digital channel with line speeds of 2.4, 4.8, 9.6, 19.2, 56 or 64 Kbps. DS1 - Digital Signal Level 1; a dedicated, high capacity, full duplex channel with a line speed of 1.544 Mbps isochronous serial data having a line signal format of either Alternate Mark Inversion (AMI) or Bipolar with 8 Zero Substitution (B8ZS) and either Superframe (D4) or Extended Superframe (ESF) formats. DS1 Service has the equivalent capacity of 24 Voice Grade or DS0 services.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 1 - DEFINITIONS AND ABBREVIATIONS, (CONT'D)**

DS3 – Digital Signal Level 3; a dedicated, high capacity, full duplex channel with a line speed of 44.736 Mbps isochronous serial data having a line code of bipolar with three zero substitution (B3ZS). Equivalent capacity of 28 DS1 Services.

Dual Tone Multifrequency (DTMF) - Tone signaling, also known as touch tone signaling.

End Office - The Central Office from which the End User's Premises would normally obtain local exchange service and dial tone from the Company or other local exchange carrier.

End Office Switch - A Company switching system where Customer or End User station loops are terminated for purposes of interconnection to other station loops, trunks or access facilities. In most contexts, the End User is connected via station loops or trunks to an End Office Switch.

End User - Any person, firm, partnership, corporation or other entity that uses the service of the Company under the terms and conditions of this tariff. In most contexts, the End User is the customer of an Interexchange Carrier who in turn utilizes the Company's Switched or Dedicated Access services described in this tariff to provide the End User with access to the IXC's communication and switching systems.

End User Premises - The premises specified by the Customer or End User for termination of access services at the End User's physical location.

Exchange - A group of lines in a unit generally smaller than a LATA established by the Company or other local exchange carrier for the administration of communications service in a specified area. An Exchange may consist of one or more central offices together with the associated facilities used in furnishing communications service within that area.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 1 - DEFINITIONS AND ABBREVIATIONS, (CONT'D)

Exchange Message Interface ("EMI") – The industry standard format used for exchange of telecommunications message information among carriers.

Facility (or Facilities) – Any item or items of communications plant or equipment used to provide or connect to the Company's Services.

FCC – Federal Communications Commission.

Gbps - Gigabits per second; billions of bits per second.

Holiday – The term "holiday" means 8:00 a.m. to, but not including 11:00 p.m. local time at the originating city on all Company-specific holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. When holidays fall on Saturdays or Sundays, the holiday rate applies unless a larger discount would normally apply.

Host Office - An electronic switching system that provides call processing capabilities for one or more Remote Switching Modules or Remote Switching Systems.

Individual Case Basis or ICB - A process whereby the terms, conditions, rates and/or charges for a service provided under the general provisions of this tariff are developed or modified based on the unique circumstances in each case.

Interstate - For the purpose of this tariff, the term Interstate applies to the regulatory jurisdiction of services used for communications between originating and terminating points located in different states within the United States or between points in the United States and at least one international location, and the jurisdiction for all such traffic shall be computed pursuant to Section 2.9.2, following.

Intrastate - For the purpose of this tariff, the term Intrastate applies to the regulatory jurisdiction of all usage or services that are not Interstate.

Interexchange Carrier (IXC) - A long distance telecommunications services provider that furnishes services between exchange areas irrespective of the type(s) of facilities or technologies used. For the purposes of this Tariff, the term Interexchange Carrier is synonymous with the term Customer as defined herein.

Kbps - Kilobits per second; 1000s of bits per second.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

## SECTION 1 - DEFINITIONS AND ABBREVIATIONS, (CONT'D)

LATA - Local Access and Transport Area. A geographic area for the provision and administration of communications services existing on February 8, 1996, as previously established by the U.S. District Court for the District of Columbia in Civil Action No. 82-0192; or established by a Bell operating company after February 8, 1996 and approved by the FCC; or any other geographic area designated as a LATA in the National Exchange Carrier Association (NECA) Tariff F.C.C. No. 4.

Local Access Facility - The channel provided by the LEC (or other local service provided) to connect the Point-of-Presence to a Customer location.

Local Exchange Company (LEC) - A company that furnishes local exchange telephone services.

Mbps - Megabits per second; millions of bits per second.

Message - See Call.

N/A - Not Applicable.

Night/Weekend - The words "night/weekend" mean 11:00 p.m. to, but not including, 8:00 a.m. local time in the originating city, all day on Saturday, and all day Sunday except from 5:00 p.m. to, but not including, 11:00 p.m.

Nonbusiness Hours - The phrase "nonbusiness hours" means the time period after 5:00 p.m. and before 8:00 a.m., Monday through Friday, all day Saturday, Sunday, and on holidays.

Non-Recurring Charge ("NRC") - The initial charge, usually assessed on a one-time basis, to initiate and establish a service or feature.

NPA - Numbering Plan Area or area code.

Off-Hook - The active condition of Switched Access service or a telephone exchange line.

On-Hook - The idle condition of Switched Access service or a telephone exchange line.

Originating Direction - The use of Switched Access Service for the origination of calls from an End User's Premises to a Customer's Point of Presence.

Other Common Carrier - Denotes a specialized or other type of common carrier authorized by the Federal Communications Commission to provide domestic or international communications service.

PIC Authorization - A Customer's or End User's selection of a PIC that meets the requirements of federal and state law.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 1 - DEFINITIONS AND ABBREVIATIONS, (CONT'D)**

PIC - Primary Interexchange Carrier.

Point of Presence or POP - The physical location associated with an Interexchange Carrier's communication and switching systems.

Point of Termination - The point of demarcation within a Customer or End User Premises at which the Company's responsibility for the provision of access service ends. The point of demarcation is the point of interconnection between Company communications facilities and Customer-provided or End User-provided facilities as defined in Part 68 of the Federal Communications Commission's Rules and Regulations.

Premises - A building, portion of a building in a multi-tenant building, or buildings on continuous property not separated by a highway. May also denote a Customer-owned enclosure or utility vault located above or below ground on private property or on Customer acquired right-of-way.

Presubscription - An arrangement whereby an End User selects and designates to the Company or to another LEC an Interexchange Carrier that he or she wishes to access, without an access code, for completing interLATA and/or intraLATA toll calls. The selected Interexchange Carrier, which may include the Company where capabilities exist, is referred to as the Primary Interexchange Carrier (PIC).

Primary Interexchange Carrier (PIC) - The Interexchange Carrier (IXC) designated by the Customer as its first routing choice and primary overflow carrier for routing of 1+ direct dialed and operator assisted non-local calls.

Private Line - A service that provides dedicated path between one or more Customer Premises.

Query - The inquiry to a Company database to obtain information, processing instructions or service data.

Recurring Charge - The charges to the Customer for services, facilities or equipment, which continue for the agreed upon duration of the service. Recurring charges do not vary based on Customer usage of the services, facilities or equipment provided.

Remote Switching Modules or Remote Switching Systems (RSM/RSS) - Small remotely controlled electronic End Office Switching equipment which obtains its call processing capability from a Host Office. An RSM/RSS cannot accommodate direct trunks to a Customer.

Services - The Company's common carrier communications services provided under this Tariff.

Service Commencement Date - In the case of a Constructive Order, the first day of use of the Company's facilities or services by the Customer. In the case of order types for which usage has not begun, the first day following the date on which the Company notifies the Customer that the requested service or facility is available for use, unless extended by the Customer's refusal to accept service which does not conform to standards in the service order or this tariff, in which case the service commencement date is the date of the Customer's acceptance. Except in the case of Constructive Orders, the Company and Customer may mutually agree on a substitute Service Commencement Date.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 1 - DEFINITIONS AND ABBREVIATIONS, (CONT'D)**

**Service Order** - A written request for network services executed by the Customer and the Company. The signing of a Service Order by the Customer and acceptance by the Company begins the respective obligations of the parties in that order for services offered under this tariff in the same manner in which first usage begins the Customer's obligations in the case of a Constructive Order.

**Serving Wire Center Switch** - A Company switching system where Customer or End User station loops are terminated for purposes of interconnection to other station loops, trunks or access facilities. In most contexts, the Customer is connected via station loops or trunks to a Serving Wire Center Switch.

**Special Access** - See Dedicated Access.

**Station** - Refers to telephone equipment or an exchange access line from or to which calls are placed.

**Switch** - The term "switch" denotes an electronic device that is used to provide circuit sharing, routine, and control.

**Switched Access** - Denotes a form of originating and/or terminating Access between an End User and an Interexchange Carrier as defined herein via facilities, circuits or channels provided by the Company or by another local exchange carrier. Switched Access provides a method of reaching the Customer's communication and switching systems whereby the End User is connected to the Customer's Point of Presence or other designated location using services of the local switched network. All Switched Access traffic is intended to be carried on Feature Group trunks, however, the delivery of Switched Access traffic over any other facilities or arrangements does not diminish the Customer's obligation to pay for the Switched Access service and further obligates the Customer that delivers Switched Access traffic over non-Feature Group facilities to immediately report all such usage to the Company in a manner that enables efficient and complete billing pursuant to this Tariff.

**Tandem Switch** - See Access Tandem.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 1 - DEFINITIONS AND ABBREVIATIONS, (CONT'D)

Terminal Equipment - Telecommunications devices, apparatus and associated wiring on the Customer-designated premises.

Terminating Direction - The use of Switched Access Service for the completion of calls from a Customer's Point of Presence to an End User Premises.

Timely Payment – A payment on a Customer's account made on or before the due date.

Trunk - A communications path connecting two switching systems in a network, used in the establishment of an end-to-end connection.

Trunk Group - A set of trunks, which are traffic engineered as a unit for the establishment of connections between switching systems in which all of the communications paths are interchangeable.

Underlying Carrier – A provider of interstate telecommunications services from whom the Company acquires facilities or services that it utilizes to provide the Company's services to Customers.

V & H Coordinates - Geographic points which define the originating and terminating points of a call in mathematical terms so that the airline mileage of the call may be determined. Call mileage may be used for the purpose of rating calls.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 2 - RULES AND REGULATIONS****2.1 Undertaking of Sage Telecom, Inc.**

- 2.1.1 The Company undertakes to furnish switched or dedicated access communications service pursuant to the terms of this tariff.
- 2.1.2 The Company's services and facilities are available twenty-four (24) hours per day, seven (7) days per week.
- 2.1.3 The Company is responsible under this tariff only for the services and facilities provided hereunder, and it assumes no responsibility for any service provided by any other entity that purchases access to the Company network in order to originate or terminate its own services, or to communicate with its own customers.
- 2.1.4 The Company arranges for installation, operation, and maintenance of the communications services provided in this tariff for Customers in accordance with the terms and conditions set forth under this tariff. The Customer shall be responsible for all charges due for such service arrangements.

**2.2 Use of the Company's Service**

- 2.2.1 Services provided under this tariff may be used by the Customer for any lawful telecommunications purpose for which the service is technically suited.
- 2.2.2 The services the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits.
- 2.2.3 Any service provided under this tariff may be resold to or shared (jointly used) with other persons at the Customer's option. The Customer remains solely responsible for all use of service ordered by it or billed to its account(s) pursuant to this tariff, for determining who is authorized to use its service, and for promptly notifying the Company of any unauthorized use. The Customer may advise its customers that a portion of its service is provided by the Company, but the Customer shall not represent that the Company jointly participates with the Customer in the provision of the service. The Company may require applicants for service who intend to use the Company's offerings for resale, shared and/or joint use to file a letter with the Company confirming that their use of the Company's offerings complies with relevant laws and the Commission's regulations, policies, orders, and decisions.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 2 - RULES AND REGULATIONS, (CONT'D)****2.3 Limitations**

- 2.3.1 The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.
- 2.3.2 The furnishing of service under this tariff is subject to the availability on a continuing basis of all the necessary facilities and equipment and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from other carriers, from time to time, to furnish service as required at the sole discretion of the Company.
- 2.3.3 The Company reserves the right to limit or to allocate the use of existing facilities, or of additional facilities offered by the Company, when necessary because of lack of facilities, or due to some other cause beyond the Company's control.
- 2.3.4 The Company may block any signals being transmitted over its network by Customers that cause interference to the Company or other users. Customer shall not be relieved of all obligations to make payments for charges relating to any blocked service and shall indemnify the Company for any claim, judgment or liability resulting from such blockage.
- 2.3.5 The Company reserves the right to discontinue service when the Customer is using the service in violation of the provisions of this tariff, or in violation of the law.
- 2.3.6 The Company reserves the right to discontinue service, limit service, or to impose requirements as required to meet changing regulatory or statutory rules and standards, or when such rules and standards have an adverse material affect on the business or economic feasibility of providing service, as determined by the Company in its reasonable judgment.
- 2.3.7 No Company services specified herein shall be provided until after the Company has completed, to its satisfaction, testing of such services and of Company systems, processes and procedures.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 2 - RULES AND REGULATIONS, (CONT'D)****2.4 Assignment and Transfer**

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties to a) any entity controlling, controlled by or under common control with the Company, whether direct or indirect; b) under any sale or transfer of all or substantially all the assets of the Company within the applicable state or states; or c) under any financing, merger or reorganization of the Company.

**2.5 Application or Service**

Customers may be required to enter into written or oral service orders which shall contain or reference a specific description of the service ordered, the rates to be charged, the duration of the services, and the terms and conditions in this tariff. Customers will also be required to execute any other documents as may be reasonably requested by the Company.

**2.6 Ownership of Facilities**

2.6.1 The Customer obtains no property right or interest in the use of any specific type of facility, service, equipment, number, process, or code.

2.6.2 Title to all facilities utilized by the Company to provide service under the provisions of this tariff shall remain with the Company, its partners, agents, contractors or suppliers. Such facilities shall be returned to the Company, its partners, agents, contractors or suppliers by the Customer, whenever requested, within a reasonable period following the request in original condition, reasonable wear and tear expected.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 2 - RULES AND REGULATIONS, (CONT'D)****2.7 Liability of the Company**

- 2.7.1 The liability of the Company for damages of any nature arising from errors, mistakes, omissions, interruptions, or delays of the Company, its agents, servants, or employees, in the course of establishing, furnishing, rearranging, moving, terminating, changing or removing the service or facilities or equipment shall not exceed an amount equal to the charges applicable under this tariff (calculated on a proportionate basis where appropriate, at the sole discretion of the Company) to the period during which such error, mistake, omission, interruption or delay occurs.
- 2.7.2 In no event shall the Company be liable for any incidental, indirect, special, or consequential damages (including, without limitation, lost revenue or profits) of any kind whatsoever regardless of the cause or foreseeability thereof.
- 2.7.3 When the services or facilities of other common carriers are used separately or in conjunction with the Company's facilities or equipment in establishing connection to points not reached by the Company's facilities or equipment, the Company shall not be liable for any act or omission of such other common carriers or their agents, servants or employees.
- 2.7.4 The Company shall not be liable for any failure of performance hereunder if such failure is due to any cause or causes beyond the reasonable control of the Company. Such causes shall include, without limitation, acts of God, fire, explosion, vandalism, cable cut, storm or other similar occurrence, any law, order, regulation, direction, action or request of the United States government or of any other government or of any civil or military authority, national emergencies, insurrections, riots, wars, strikes, lockouts or work stoppages or other labor difficulties, supplier failures, shortages, breaches or delays, or preemption of existing service to restore service in compliance with FCC, or other relevant Commission, rules and regulations.
- 2.7.5 The Company shall not be liable for interruptions, delays, errors, or defects in transmission, or for any injury whatsoever, caused by the Customer, or the Customer's agents, End Users, or by facilities or equipment provided by the Customer.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 2 - RULES AND REGULATIONS, (CONT'D)

2.7 Liability of the Company (Continued)

- 2.7.6 No liability shall attach to the Company by reason of any defacement or damage to the Customer's premises resulting from the existence of the Company's equipment or facilities on such premises, or by the installation or removal thereof, when such defacement or damage is not the result of the gross negligence or intentional misconduct of the Company or its employees.
- 2.7.7 The Company does not guarantee nor make any warranty with respect to installations provided by it for use in an explosive atmosphere.
- 2.7.8 The Company makes no warranties or representations, express or implied, either in fact or by operation of law, statutory or otherwise, including warranties of merchantability or fitness for a particular use, except those expressly set forth herein.
- 2.7.9 Failure by the Company to assert its rights under a provision of this tariff does not preclude the Company from asserting its rights under other provisions.
- 2.7.10 Exculpatory Clause

THE INCLUDED EXCULPATORY LANGUAGE DOES NOT CONSTITUTE A DETERMINATION BY THE COMMISSION THAT A LIMITATION OF LIABILITY IMPOSED BY THE COMPANY SHOULD BE UPHeld IN A COURT OF LAW. ACCEPTANCE FOR FILING BY THE COMMISSION RECOGNIZES THAT IT IS A COURT'S RESPONSIBILITY TO ADJUDICATE NEGLIGENCE AND CONSEQUENTIAL DAMAGE CLAIMS. IT IS ALSO THE COURT'S RESPONSIBILITY TO DETERMINE THE VALIDITY OF THE EXCULPATORY CLAUSE.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 2 - RULES AND REGULATIONS, (CONT'D)

2.8 Liability of the Customer

- 2.8.1 The Customer will be liable for damages to the facilities of the Company and for all incidental and consequential damages caused by the acts or omissions of the Customer, its officers, employees, agents, invites, or contractors where such acts or omissions are not the direct result of the Company's negligence or intentional misconduct.
- 2.8.2 To the extent caused by the acts or omissions of the Customer as described in 2.8.1, preceding, the Customer shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees, for (1) any loss, destruction or damage to property of any third party, and (2) any liability incurred by any third party pursuant to this or any other tariff of the Company, or otherwise, for any interruption of, interference to, or other defect in any service provided to such third party.
- 2.8.3 A Customer shall not assert any claim against any other Customer or user of the Company's services for damages resulting in whole or in part from or arising in connection with the furnishing of service under this tariff including but not limited to mistakes, omissions, interruptions, delays, errors or other defects or misrepresentations, whether or not such other Customer or user contributed in any way to the occurrence of the damages, unless such damages were caused solely by the negligent or intentional act or omission of the other Customer or user and not by any act or omission of the Company. Nothing in this tariff is intended either to limit or to expand Customer's right to assert any claims against third parties for damages of any nature other than those described in the preceding sentence.
- 2.8.4 The Customer shall be fully liable for any damages, including, without limitation, usage charges, that the Customer may incur as a result of the unauthorized use of services provided to a Customer. Unauthorized use occurs when a person or entity that does not have actual, apparent, or implied authority to use the network, obtains the Company's services provided under this tariff. The unauthorized use of the Company's services includes, but is not limited to, the placement of calls from the Customer's premises, and the placement of calls through equipment controlled and/or provided by the Customer, that are transmitted over the Company's network without the authorization of the Customer. The Customer shall be fully liable for all such usage charges.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 2 - RULES AND REGULATIONS, (CONT'D)

## 2.9 Obligations of the Customer

- 2.9.1 The Customer is responsible for making proper application for service; for placing any necessary orders; for complying with tariff regulations; and for payment of charges for services provided. Specific Customer responsibilities include, but are not limited to the following:
- A. reimbursing the Company for damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer; or the non-compliance by the Customer, with these regulations; or by fire or theft or other casualty on the Customer premises, unless caused by the gross negligence or intentional misconduct of the employees or agents of the Company;
  - B. providing at no charge, as specified from time to time by the Company, any needed equipment, secured space, power, supporting structures, and conduit to operate Company facilities and equipment installed on the premises of the Customer, and the level of heating and air conditioning necessary to maintain the proper operating environment on such premises;
  - C. obtaining, maintaining and otherwise having full responsibility for all rights-of-way and conduit necessary for installation of cable and associated equipment used to provide communications services to the Customer from the cable building entrance or property line to the location of the equipment space described in Section 2.9.1.B. Any and all costs associated with the obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company provided facilities, shall be borne entirely by, or may be charged by the Company, to the Customer; the Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service;
  - D. providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment; the Customer may be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company employees or property might result from installation or maintenance by the Company; the Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g., friable asbestos) prior to any construction or installation work;

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 2 - RULES AND REGULATIONS, (CONT'D)

2.9 Obligations of the Customer (Continued)

2.9.1 (continued)

- E. complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in any Customer Premises or the rights-of-way for which Customer is responsible under Section 2.9.1.C.; and granting or obtaining permission for Company agents or employees to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company;
- F. not creating or allowing to be placed any liens or other encumbrances on the Company's equipment or facilities;
- G. making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer, such agreement not to be reasonably withheld or denied. No allowance will be made for the period during which service is interrupted for such purposes;
- H. taking all steps necessary to cancel or otherwise discontinue any service(s) to be replaced by any of the Company's service(s) as described herein; and
- I. ensuring that any Customer provided equipment and/or systems are properly interfaced with Company facilities or services, that the signals emitted into Company's network are of the proper mode, bandwidth, power, and signal level for the intended use of the Customer and in compliance with the criteria set forth in this tariff, and that the signals do not damage equipment, injure personnel, or degrade service to other Customers.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 2 - RULES AND REGULATIONS, (CONT'D)****2.9 Obligations of the Customer (Continued)**

2.9.2 With regard to access services provided by the Company, specific Customer responsibilities include, but are not limited to the following:

A. Design of Customer Services

The Customer shall be responsible for its own expense for the overall design of its services and for any redesigning or rearrangements of its services which may be required because of changes in facilities, operations or procedures of the Company, minimum protection criteria, or operating or maintenance characteristics of the facilities.

B. Network Contingency Coordination

The Customer shall, in cooperation with the Company, coordinate in planning the actions to be taken to maintain maximum network capability following natural or man-made disasters which affect telecommunications service.

C. Jurisdictional Reports

(1) Report Requirements for Access Services

All charges (i.e. monthly rates, usage rates, and nonrecurring charges) are prorated between interstate and intrastate based on industry practices as set forth in this section.

(2) Procedure for Determining Call Jurisdiction

For traffic originated by the Customer and terminated by the Company, the Company shall compare the terminating NPA-NXX of the called Sage local service customer to the Local Routing Number ("LRN") field of the EMI access records, where such LRN field is properly populated. For wireless roaming traffic, the Customer shall, subject to audit by the Company, populate the LRN field of the EMI access records with a Jurisdictional Information Parameter (JIP) value that identifies the location of the cell site used to originate each call established while roaming and the Company shall use properly-populated LRN fields to jurisdictionally rate the usage. Where such LRN field is not properly populated, and for all other traffic, the Company shall compare its local service customer's NPA-NXX to the originating Automatic Number Identification ("ANI") or to the calling NPA-NXX, except that the Company shall use the Percent Interstate Use ("PIU") when the originating ANI is not available or when the jurisdiction of the call cannot otherwise be determined.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.

805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 2 - RULES AND REGULATIONS, (CONT'D)****2.9 Obligations of the Customer (Continued)****2.9.2 (continued)****D. Jurisdictional Percentages and Determination of Access Charges**

Usage-sensitive and non-usage-sensitive rates and nonrecurring charges, including those associated with optional features, shall be prorated based on the call jurisdiction determined through the procedure set forth in 2.9.2.C.(2), above. When a PIU must be used, it shall be expressed as a whole number between 0 and 100. The sum of the PIU and the intrastate jurisdictional percentage (IJP) must equal 100%. The IJP is determined by subtracting the PIU from 100. When a PIU must be used, the PIU factor and IJP factor serve as the basis for development of interstate and intrastate charges to the Customer pursuant to the procedure identified in 2.9.2.C.(2), above. When a PIU must be used for non-usage sensitive and nonrecurring rates, the quantity of service is multiplied by the PIU and IJP factors and by the applicable tariff rate to develop the charge. When a PIU must be used for usage sensitive rates, the quantity of usage-sensitive units is multiplied by the PIU and IJP factors and by the applicable tariff rate to develop the charge.

Separate PIU factors, when PIU factors are applicable pursuant to 2.9.2.C.(2) above, are required for originating or terminating usage.

**E. Interstate PIU**

The PIU will be established by the Company or provided by the Interexchange Carrier (IXC) customer as described following:

**(1) Company-Developed PIU**

Where the Company can, pursuant to 2.9.2.C.(2), above, adequately determine the jurisdiction of an originating or terminating call from the call detail, the Company will bill according to the jurisdiction of the call as determined from that call detail.

## SECTION 2 - RULES AND REGULATIONS, (CONT'D)

## 2.9 Obligations of the Customer (Continued)

## 2.9.2 (continued)

## E. Interstate PIU (continued)

## (2) Customer-Provided PIU

Where the Company does not possess the capability to adequately determine the jurisdiction of a switched access service, a PIU factor must be reported by the Customer to the Company, as follows:

The Customer will provide a projected interstate usage percentage for originating access minutes for each LATA from which the Customer may originate or terminate traffic. The specified percentage must accurately reflect the jurisdiction of the traffic in accordance with applicable law and will be applied to all end offices to which the Customer may originate or terminate traffic within the LATA.

All PIU factors provided in a report update must be furnished via a letter. PIU factors provided via letter will be kept on file by the Company.

For FGA and FGB, pursuant to Federal Communications Commission Order FCC 85-145 (adopted April 16, 1985), when the Customer does not have sufficient data to determine jurisdiction, the PIU is to be developed as though every call that enters the Customer's network at a point within the same state as that in which the called station is situated (as designated by the called station number) is an intrastate communication. Every call for which the point of entry is in a state other than that where the called station is situated (as designated by the called station number) in an interstate communication.

## F. Intrastate IJP

## (1) Company-Developed IJP

Where the Company can, pursuant to 2.9.2.C.(2), above, adequately determine the jurisdiction of an originating or terminating call from the call detail, the Company will bill according to the jurisdiction of the call as determined from that call detail.

## (2) Customer-Provided IJP

Where the Company does not possess the capability to adequately determine the jurisdiction of a switched access service, the Company will determine the IJP for the service by subtracting the Customer-provided PIU from 100.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 2 - RULES AND REGULATIONS, (CONT'D)

2.9 Obligations of the Customer (Continued)

2.9.2 (continued)

G. Report Updates

(1) Annual Requirements

The Customer shall provide to the Company by April 15 of each year a written report which provides the methodology utilized by the Customer to develop the PIU factors provided in the quarterly report.

If the Customer does not provide the annual report by April 15 of each year, the Customer will be notified by certified mail that if the annual report is not received within thirty (30) calendar days of the receipt of the notice, the Company will designate its default PIU factor of 50% for each service, with the exception of originating 700 Access Service which is arranged for interstate use. For originating 700 Access Service, the Company will designate a PIU factor of 0%. Such factors will be applied pursuant to 2.9.2.C.(2), above, to the next billing cycle following the thirty (30) day notice period and will be utilized until the Customer provides an annual report. Once the Customer does provide an annual report, the Company will update the Customer's PIU factors within fifteen (15) business days utilizing the most current PIU reported by the Customer.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 2 - RULES AND REGULATIONS, (CONT'D)****2.9 Obligations of the Customer (Continued)****2.9.2 (continued)****G. Report Updates (continued)****(2) Quarterly Update Requirements**

The Customer is required to provide updates to the PIU reports. Upon receipt by the Company, the revised report will serve as the basis for future billing pursuant to 2.9.2.C.(2), above, and will be effective on the next bill date for that service. No prorating or back billing will be done based on the report. The revised report will be used by the Company to apportion usage rates pursuant to 2.9.2.C.(2), above.

- (a) Effective on the first of January, April, July, and October of each year, the Customer will update the PIU reports. The Customer will forward to the Company, to be received no later than fifteen (15) business days after the first of each such month, a revised report showing the interstate and intrastate percentage of use for the past three months ending the last day of December, March, June and September, respectively, for each service arranged for interstate use. The revised report will serve as the basis for the next three months billing pursuant to 2.9.2.C.(2), above.
- (b) When the Customer does not provide a quarterly update report, but has complied with the annual report requirements, the Company will assume the percentages to be the same as those provided in the last quarterly update report received by the Company. When the Customer does not provide a quarterly update report and has not complied with the annual report requirements, the default PIU will be applied pursuant to 2.9.2.C.(2), above.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

## SECTION 2 - RULES AND REGULATIONS, (CONT'D)

## 2.9 Obligations of the Customer (Continued)

## 2.9.2 (continued)

## H. Audit of Jurisdictional Accuracy

- (1) If the Company disputes the reasonableness of the PIU provided by the Customer as set forth in 2.9.2.E., preceding, or the reported PIU varies by more than five percentage points over the preceding PIU, the Company may ask the Customer to provide the data used by the Customer to determine the projected interstate percentage. The Customer shall retain, for a minimum of one year, accurate call detail records from which the percentage of interstate and intrastate use can be derived, and shall make such records available for inspection as reasonably necessary for PIU verification. Such records shall be made available for inspection and audit within fifteen (15) days of the Company's request for verification.

The Company shall limit audits to no more than one per year, except where additional audits may be required to verify allocation changes that represent a five percent shift from the Customer's most recent reported figures, and such change is not the result of seasonal shifts or other identifiable reasons. The Customer may request that verification audits be conducted by an independent auditor. In such cases the associated auditing expenses will be paid by the Customer.

In the event that the Customer fails to provide adequate records to enable the Company or an independent auditor to conduct an audit verifying the Customer's PIU, the Company will bill the usage for all the contested periods using the PIU reported by the Customer for the previous period pursuant to 2.9.2.H., above. This PIU will remain in effect until the Customer provides the call detail records from which the percentage of interstate and intrastate use can be derived. No prorating or back billing will be done based on the newly derived factor.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 2 - RULES AND REGULATIONS, (CONT'D)

2.10 Billing and Payment For Service

2.10.1 Responsibility for Charges

The Customer is responsible for payment of all charges for services and equipment furnished to the Customer for transmission of calls via the Company. In particular and without limitation to the foregoing, the Customer is responsible for any and all cost(s) incurred as the result of:

- A. any delegation of authority resulting in the use of Customer's communications equipment and/or network services that result in the placement of calls via the Company;
- B. any and all use of the service arrangement provided by the Company, including calls which the Customer did not individually authorize;
- C. any calls placed by or through the Customer's equipment via any remote access feature(s);

2.10.2 Minimum Period

The minimum period for which services are provided and for which rates and charges are applicable is one (1) month unless otherwise specified in this tariff. When a service is discontinued prior to the expiration of the minimum period, charges are applicable, whether the service is used or not.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 2 - RULES AND REGULATIONS, (CONT'D)****2.10 Billing and Payment For Service (Continued)****2.10.3 Payment for Service**

- A. All charges due from the Customer are payable to the Company or any agent duly authorized to receive such payments. Terms of payment shall be according to the rules and regulations of the agent and subject to the rules of regulatory bodies having jurisdiction.
- B. Non-recurring charges for installations, service connections, moves or rearrangements are due and payable upon receipt of the Company's invoice by the Customer. At the Company's discretion, payment of all or a portion of any non-recurring charges may be required prior to commencement of facility or equipment installation or construction required to provide the services requested by the Customer.
- C. The Company shall present invoices for recurring charges monthly to the Customer, in advance of the month in which service is provided, and recurring charges shall be due and payable as specified on the bill.
- D. When billing is based upon Customer usage, usage charges will be billed monthly in arrears for service provided in the preceding billing period. Charges shall be due and payable as specified on the bill.
- E. Customer billing will begin on the service commencement date, which is the day the Company determines in its reasonable sole discretion that the service or facility is available for use, except that the service commencement date may be postponed by mutual agreement of the parties, or if the service or facility does not conform to standards under this tariff or the service order. Billing accrues through and includes the day that the service, circuit, arrangement or component is discontinued.
- F. When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have 30 (thirty) days.
- G. Amounts not paid within 30 (thirty) days after the mailing date of invoice will be considered past due.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 2 - RULES AND REGULATIONS, (CONT'D)****2.10 Billing and Payment For Service (Continued)****2.10.4 Disputed Charges**

- A. Any objections to billed charges must be reported to the Company or its billing agent within sixty (60) days of the invoice of the bill issued to the Customer. Adjustments to Customers' bills shall be made to the extent that circumstances exist which reasonably indicate that such changes are appropriate.
- B. In the event that a billing dispute occurs concerning any charges billed to the Customer by the Company, the Customer must submit a documented claim for the disputed amount. The Customer will submit all documentation as may reasonably be required to support the claim. All claims must be submitted to the Company within sixty (60) days of the invoice date of the bill for the disputed services. If the Customer does not submit a claim as stated above, the Customer waives all rights to filing a claim thereafter.
- C. If the dispute is resolved in favor of the Customer and the Customer has withheld the disputed amount, no interest credits or penalties will apply.
- D. If the dispute is resolved in favor of the Company and the Customer has withheld the disputed amount, any payments withheld pending settlement of the disputed amount shall be subject to the late payment penalty as set forth in 2.10.5.
- E. If the dispute is resolved in favor of the Customer and the Customer has paid the disputed amount, the Customer will receive an interest credit from the Company for the disputed amount times a late factor as set forth in 2.10.5.
- F. If the dispute is resolved in favor of the Company and the Customer has paid the disputed amount on or before the payment due date, no interest credit or penalties will apply.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 2 - RULES AND REGULATIONS, (CONT'D)****2.10 Billing and Payment For Service (Continued)****2.10.5 Late Payment Fees**

A late payment charge of 1.5% per month, or the highest rate permitted by applicable law, whichever is less, shall be due to the Company for any billed amount for which payment has not been received by the Company within thirty (30) days of the invoice date of the Company's invoice for service, or if any portion of the payment is received by the Company in funds which are not immediately available upon presentment. If the payment due date falls on a Saturday, Sunday, legal holiday or other day when the offices of the Company are closed, the date for acceptance of payments prior to assessment of any late payment fees shall be extended through to the next business day.

**2.10.6 Returned Check Charge**

A service charge equal to \$20.00, or the face amount of the check, whichever is the lesser, will be assessed for all checks returned by a bank or other financial institution for: insufficient or uncollected funds, closed account, apparent tampering, missing signature or endorsement, or any other insufficiency or discrepancy necessitating return of the instrument at the discretion of the drawee bank or other financial institution.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 2 - RULES AND REGULATIONS, (CONT'D)****2.11 Taxes, Surcharges and Fees**

- 2.11.1 All taxes, including state and local taxes (i.e., gross receipts tax, sales tax, municipal utilities tax), are listed as separate line items on the Customer's bill and are not included in the quoted rates and charges set forth in this tariff. To the extent that a municipality, other political subdivision or local agency of government, or Commission imposes upon and collects from the Company a gross receipts tax, sales tax, occupation tax, license tax, permit fee, rights-of-way fee, franchise fee, or other regulatory fee or tax, such and fees and taxes shall, insofar as practicable and allowed by law, be billed pro rata to Customers receiving service from the Company within the territorial limits of such municipality, other political subdivision or local agency of government. It shall be the responsibility of the Customer to pay any such taxes and fees that subsequently become applicable retroactively.
- 2.11.2 The Company may adjust its rates and charges or impose additional rates and charges on its Customers in order to recover amounts it is required by governmental or quasi-governmental authorities to collect from or pay to others in support of statutory or regulatory programs.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 2 - RULES AND REGULATIONS, (CONT'D)****2.12 Deposits and Advanced Payments****2.12.1 General**

The Company reserves the right to validate the creditworthiness of Customers and billed parties through available verification procedures. Where a Customer's creditworthiness is unacceptable to the Company, Company may refuse to provide service, require a deposit or advance payment, or otherwise restrict or interrupt service to a Customer.

**2.12.2 Deposits**

- A. The Company may, in order to safeguard its interests, require a Customer which has a proven history of late payments to the Company or does not have established credit or has a bad credit rating to make a deposit prior to or at any time after the provision of service to the Customer to be held by the Company as a guarantee of the payment of rates and charges. No such deposit will be required of a Customer that has established satisfactory credit and has no history of late payments to the Company.
- B. The amount of deposit may be adjusted at the request of the Customer at any time when the character, purpose, or degree of the Customer's use of the service has materially changed, or when it is indicated that it will change.
- C. The making of a deposit shall not relieve any Customer of the obligation to pay current bills when due. A deposit shall only be applied to the indebtedness of the Customer for jurisdictional telecommunications services of the provider.
- D. The rate of interest paid on any security deposit received from a Customer for each calendar year shall be not less than the deposit index as defined in Idaho Public Utilities Commission rules for that year and rounded to the nearest 1/10 of the percentage point, except in no event shall the rate be less than 1 ½ percent.

**2.12.3 Advance Payments**

To safeguard its interests, the Company may require a Customer to make an advance payment before services and facilities are furnished. The advance payment will not exceed an amount equal to two (2) month's estimated billing. This will be applied against the next month's charges and a new advance payment may be collected for the next month, if necessary. Advance payments do not accrue interest. An advance payment may be required in addition to a deposit.

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Issued By:  
Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 2 - RULES AND REGULATIONS, (CONT'D)

2.13 Cancellation by Customer

2.13.1 General

- A. Customers of the Company's service may cancel service by providing the Company with written notification thirty (30) days prior to the requested cancellation date. The Company shall hold the Customer responsible for payment of all bills for service furnished until the cancellation date specified by the Customer or until thirty (30) days after the date that the cancellation notice is received, whichever is later.
- B. Customers seeking to cancel service have an affirmative obligation to block traffic originating from or terminating to the Company's network. By originating traffic from or terminating traffic to the Company's network, the Customer will have constructively ordered the Company's switched access service.

2.13.2 Cancellation of Contract Services

- A. If a Customer cancels a service order or terminates services before the completion of the term or where the Customer breaches the terms in the service contract, the Customer may be requested by the Company to pay to Company termination liability charges. These charges shall become due and owing as of the effective date of the cancellation or termination. Unless otherwise specified in this tariff, the termination liability shall be equal to:
  - (1) all unpaid nonrecurring charges reasonably expended by the Company to establish service to Customer, plus;
  - (2) any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by the Company on behalf of Customer, plus;
  - (3) all recurring charges specified in the applicable service order for the balance of the then current term.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 2 - RULES AND REGULATIONS, (CONT'D)

2.13 Cancellation by Customer (Continued)

2.13.3 Cancellation of Application for Service

- A. Where the Company permits the Customer to cancel an application for service prior to the start of service or prior to any special construction, no charges will be imposed except for those specified below.
- B. Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs the Company incurred, less net salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of services ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to the Customer had service begun.
- C. Where the Company incurs any expense in connection with special construction, or where special arrangements of facilities or equipment have begun, before the Company receives a cancellation notice, a charge equal to the costs incurred, less net salvage, may apply. In such cases, the charge will be based on such elements as the cost of the equipment, facilities, and material, the cost of installation, engineering, labor, and supervision, general and administrative expense, other disbursements, depreciation, maintenance, taxes, provision for return on investment, and any other costs associated with the special construction or arrangements.
- D. The charges described above will be calculated and applied on a case-by-case basis.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

## SECTION 2 - RULES AND REGULATIONS, (CONT'D)

## 2.14 Cancellation by Company

- 2.14.1 Service continues to be provided until canceled by the Customer pursuant to Section 2.13 or until discontinued by the Company. The Company may render bills subsequent to the termination of service for charges incurred before termination. The Customer shall pay such bills in full in accordance with the payment terms of this tariff.
- 2.14.2 The Company may refuse or discontinue service to a Customer without notice under the following conditions:
- A. For violation of law or this tariff: Except as provided elsewhere in this tariff, the Company may refuse, suspend or cancel service, without notice, for any violation of terms of this tariff, for any violation of any law, rule, regulation, order, decree or policy of any government authority of competent jurisdiction, or by reason of any order or decision of a court or other government authority having jurisdiction which prohibits the Company from furnishing such service or prohibits Customer from subscribing to, using, or paying for such service.
  - B. For the Company to comply with any order or request of any governmental authority having jurisdiction: The Company may refuse, suspend or cancel service, without notice, in order to permit the Company to comply with any order or request of any governmental authority having jurisdiction.
  - C. In the event of a national or local emergency in which the Company has reason to believe that its services may be used for causing terrorist acts or harm to citizens.
  - D. In the event of Customer or Authorized User use of equipment in such a manner as to adversely affect the Company's equipment or service to others.
  - E. In the event of tampering with the equipment or services of the Company or its agents.
  - F. In the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of service, the Company may, to the extent that Company opts to restore such service, require the Customer to make, at Customer's own expense, all changes in facilities or equipment necessary to eliminate illegal use and to pay an amount reasonably estimated as the loss in revenues resulting from such fraudulent use.
  - G. If any of the facilities, appliances, or apparatus on Customer's premises are found to be unsafe or causing harm to the Company's facilities, and may refuse to furnish service until the applicant or Customer shall have remedied the condition.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 2 - RULES AND REGULATIONS, (CONT'D)

2.14 Cancellation by Company (Continued)

2.14.3 The Company may refuse or discontinue service provided that, unless otherwise stated, the Customer shall be given five (5) days written notice to comply with any rule or remedy any deficiency:

- A. For nonpayment: The Company, by written notice to the Customer and in accordance with applicable law, may refuse, suspend or cancel service without incurring any liability when there is an unpaid balance for service that is past due.
- B. For returned checks: The Customer whose check or draft is returned unpaid for any reason, after two attempts at collection, may, at the Company's discretion, be subject to refusal, suspension or cancellation of service in the same manner as provided for nonpayment of overdue charges.
- C. For neglect or refusal to provide reasonable access to the Company or its agents for the purpose of inspection and maintenance of equipment owned by the Company or its agents.
- D. For Customer use or Customer's permitting use of obscene, profane or grossly abusive language over the Company's facilities, and who, after five (5) days notice, fails, neglects or refuses to cease and refrain from such practice or to prevent the same, and to remove its property from the premises of such person.
- E. For use of telephone service for any property or purpose other than that described in the application.
- F. For Customer's breach of any contract for service between the Company and the Customer.
- G. For periods of inactivity in excess of sixty (60) days.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 2 - RULES AND REGULATIONS, (CONT'D)

2.15 Restoration of Service

- 2.15.1 If service has been discontinued for nonpayment or as otherwise provided herein and the Customer wishes service continued, service may be restored at the Company's sole discretion, when all past due amounts are paid or the event giving rise to the discontinuance (if other than nonpayment) is corrected. Customers whose service was disconnected for non-payment may be required to pay a deposit and/or advance payment prior to service restoration.
- 2.15.2 A restoration fee of \$25.00, or the actual costs incurred by the Company plus an administrative charge, whichever is greater, applies to Customers whose service is restored following disconnection by the Company.
- 2.15.3 Restoration of disrupted services shall be in accordance with applicable Commission and/or Federal Communications Commission Rules and Regulations specified in 47 C.F.R., Chapter I, Part 64, , Appendix A, which specify the priority system for such activities.

2.16 Provision of Company Equipment and Facilities

- 2.16.1 The Company shall use reasonable efforts to maintain only the facilities and equipment that it furnishes to the Customer. The Customer may not nor may the Customer permit others to rearrange, disconnect, remove, attempt to repair, or otherwise interfere with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.
- 2.16.2 The Company may substitute, change or rearrange any equipment or facility at any time and from time to time, but shall not thereby alter the technical parameters of the service provided to the Customer except following required notice procedures.
- 2.16.3 Equipment the Company provides or installs at the Customer premises shall not be used for any purpose other than that for which the equipment is provided.
- 2.16.4 The Company shall not be responsible for the installation, operation, or maintenance of any Customer provided communications equipment. Where such equipment is connected to the facilities furnished under this tariff, the responsibility of the Company shall be limited to the furnishing of facilities offered under this tariff and to the maintenance and operation of such facilities. Subject to this responsibility, the Company shall not be responsible for:
- A. the transmission of signals by Customer provided equipment or for the quality of, or defects in, such transmission; or
  - B. the reception of signals by Customer-provided equipment; or
  - C. network control signaling where such signaling is performed by Customer-provided network control signaling equipment.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 2 - RULES AND REGULATIONS, (CONT'D)****2.17 Interconnection**

- 2.17.1 Service furnished by the Company may be interconnected with services or facilities of other authorized communications common carriers and with private systems, subject to technical limitations established by the Company. Service furnished by the Company is not part of a joint undertaking with such other common carriers or systems. Any special interface equipment or facilities necessary to achieve compatibility between the facilities of Company and other participating carriers shall be provided at the Customer's expense.
- 2.17.2 Connection with the facilities or services of other carriers shall be under the applicable terms and conditions of the other carriers' tariffs. The Customer is responsible for taking all necessary legal steps for interconnecting Customer-provided terminal equipment or systems with Company's facilities. Customer shall secure all licenses, permits, rights-of-way, and other arrangements necessary for such interconnection.
- 2.17.3 The Customer shall ensure that the facilities or equipment provided by another carrier are properly interconnected with the facilities or equipment of the Company. If the Customer maintains or operates the interconnected facilities or equipment in a manner which results or may result in harm to the Company's facilities, equipment, personnel, or the quality of service, the Company may, upon five (5) days written notice, require the use of protective equipment at the Customer's expense. If this written notice fails to eliminate the actual or potential harm, the Company may, upon additional five (5) days written notice, terminate the existing service of the Customer.
- 2.17.4 If harm to the Company's network, personnel or services is imminent due to interconnection with another carrier's services, the Company reserves the right to shut down Customer's service immediately, with no prior notice required.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 2 - RULES AND REGULATIONS, (CONT'D)****2.18 Customer-Provided Equipment**

- 2.18.1 The Company's services are designed primarily for the transmission of voice-grade telephonic signals, except as otherwise stated in this tariff. A user may transmit any form of signal that is compatible with the Company's equipment, but the Company does not represent that its services will be suitable for purposes other than voice-grade telephonic communication except as specifically stated in this tariff.
- 2.18.2 Terminal equipment on the user's premises and the electric power consumed by such equipment shall be provided by and maintained at the expense of the Customer. The Customer is responsible for the provision of wiring or cable to connect its terminal equipment to the Company's network.
- 2.18.3 The Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltages and currents impressed on Company-provided equipment and wiring by the connection, operation, or maintenance of such equipment and wiring shall be such as not to cause damage to the Company-provided equipment and wiring or injury to the Company's employees or to other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Customer's expense, subject to prior Customer approval of the equipment expense.
- 2.18.4 Upon suitable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements under this Section 2.18 for the installation, operation, and maintenance of Customer-provided facilities, equipment, and wiring in the connection of Customer-provided facilities and equipment to Company-owned facilities and equipment.
- 2.18.5 If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action, as it deems necessary to protect its facilities, equipment, and personnel. The Company may, upon five (5) days written notice, require the use of additional protective equipment at the Customer's expense. If this written notice fails to remedy any protective deficiencies or potential harm, the Company may, upon additional five (5) days written notice, terminate the existing service of the Customer.
- 2.18.6 If harm to the Company's network, personnel or services is imminent, the Company reserves the right to shut down Customer's service immediately, with no prior notice required.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 2 - RULES AND REGULATIONS, (CONT'D)****2.19 Inspection, Testing and Adjustments**

- 2.19.1 The Company may, upon reasonable notice, make such tests and inspections as may be necessary to determine whether the terms and conditions of this tariff are being complied with in the installation, operation or maintenance of the Customer's or the Company's facilities or equipment. The Company may interrupt service at any time, without penalty or liability, due to the departure from or reasonable suspicion of the departure from any of these terms and conditions.
- 2.19.2 Upon reasonable notice, the facilities or equipment provided by the Company shall be made available to the Company for such tests and adjustments as may be necessary for their maintenance in a condition satisfactory to the Company. No interruption allowance shall be granted for the time during which such tests and adjustments are made, unless such interruption exceeds twenty-four (24) hours in length and is requested by the Customer.
- 2.19.3 The Company will provide the Customer reasonable notification of service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and routine preventative maintenance. Generally, such activities are not specific to an individual Customer but affect many Customers' services. No specific advance notification period applies to all service activities. The Company will work cooperatively with the Customer to determine the reasonable notification requirements. With some emergency or unplanned service-affecting conditions, such as an outage resulting from cable damage, notification to the Customer may not be possible.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 2 - RULES AND REGULATIONS, (CONT'D)****2.20 Allowances for Interruptions in Service****2.20.1 General**

- A. Upon the written request of the Customer, delivered to the Company no later than thirty (30) days following the date of service interruption, a credit allowance will be given when service is interrupted, except as specified in Section 2.20.2 following. A service is interrupted when it becomes inoperative to the Customer, e.g., the Customer is unable to transmit or receive, because of a failure of a component furnished by the Company under this tariff.
- B. An interruption period begins when the Customer reports to the Company a service, facility or circuit is inoperative and, if necessary, releases it for testing and repair by the Company, as determined in its sole and reasonable discretion. An interruption period ends when the service, facility or circuit is operative.
- C. If the Customer reports a service, facility or circuit to be interrupted but declines to release it for testing and repair, refuses access to its premises for test and repair by the Company, or continues to make voluntary use of the service, the service, facility or circuit is considered to be impaired but not interrupted. No credit allowances will be made for a service, facility or circuit considered by the Company to be impaired.
- D. The Customer shall be responsible for the payment of service charges for visits by the Company's agents or employees to the premises of the Customer when the service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 2 - RULES AND REGULATIONS, (CONT'D)

2.20 Allowances for Interruptions in Service (Continued)

2.20.2 Limitations of Allowances

A. No credit allowance will be made for any interruption in service:

- (1) due to the negligence of or noncompliance with the provisions of this tariff by any person or entity other than the Company, including but not limited to the Customer;
- (2) due to the failure of power, equipment, systems, connections or services not provided by the Company;
- (3) due to circumstances or causes beyond the reasonable control of the Company;
- (4) during any period in which the Company is not given full and free access to its facilities and equipment for the purposes of investigating and correcting interruptions;
- (5) during any period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements;
- (6) when the Customer is known to have planned or participated in terrorism or in acts that may cause harm to citizens;
- (7) that occurs or continues due to the Customer's failure to authorize replacement of any element of special construction; and
- (8) that was not reported to the Company within thirty (30) days of the date that service was affected.

2.20.3 Use of Another Means of Communications

If the Customer elects to use another means of communications during the period of interruption, the Customer must pay the charges for the alternative service used.

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**SECTION 2 - RULES AND REGULATIONS, (CONT'D)****2.20 Allowances for Interruptions in Service (Continued)****2.20.4 Application of Credits for Interruptions in Service**

- A. Except as provided in Section 2.20.2 A., if a Customer's service is interrupted, and it remains interrupted for eight (8) normal working hours or longer after access to the premises is made available and after being reported to be out of order, appropriate adjustments or refunds shall be made to the Customer, when such adjustment exceeds \$1.00.
- B. The Company will restore service within sixteen (16) hours after the report of the outage if the Customer notifies the Company that the service creates an emergency or within twenty-four (24) hours if no emergency exists. Outages reported between noon on Saturday and 6:00 pm on the following Sunday will be restored within forty-eight (48) hours or by 6:00 pm on the following Monday, whichever is sooner.
- C. The amount of adjustment or refund shall be determined on the basis of the known period of interruption; generally beginning from the time the service interruption is first reported. The refund to the Customer shall be a pro rata part of the month's flat rate charges (if any) for the period of days and that portion of the service facilities rendered useless or inoperative. The refund may be accomplished by a credit on a subsequent bill for the service.
- D. For purposes of credit computation every month shall be considered to have seven hundred and twenty (720) hours. For services with a monthly recurring charge, no credit shall be allowed for an interruption of continuous duration of less than eight (8) hours. The Customer shall be credited for an interruption of eight (8) or more hours at the rate of 1/720th of the monthly charge for the services affected for each day that the interruption continues. The formula used for computation of credits is as follows:
- $$\text{Credit} = A/720 \times B$$
- A = outage time in hours (must be 8 or more)  
B = total monthly recurring charge for affected service.
- E. No credits will be provided for usage sensitive services.
- F. Cellular and other wireless transmission and Internet-based calling is subject to interruptions including but not limited to, dropped calls, interrupted calls, unintelligible calls, one-way audio and other problems created by factors beyond Company's control. Under no circumstances will Company provide credit or payment of any kind for calls that experience problems related to cellular or other wireless transmissions or for calls that experience problems related to Internet-based communications including but not limited to those calls that transcend wireline and Voice over Internet Protocol ("VoIP") networks.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 2 - RULES AND REGULATIONS, (CONT'D)

2.21 Notices and Communications

- 2.21.1 The Customer shall designate on the service order an address to which the Company shall mail or deliver all notices and other communications, except that Customer may also designate a separate address to which the Company's bills for service shall be mailed.
- 2.21.2 The Company shall designate on the service order an address to which the Customer shall mail or deliver all notices and other communications, except that Company may designate a separate address on bills for service to which the Customer shall mail payment on that bill.
- 2.21.3 Notice of a pending disconnection of a Customer's service may contain the reason for the notice, the date of the notice, a description of any remedies the Customer may make, the time allotted for the Customer to make remedies (if any), and a toll free customer service number the Customer may call to obtain additional information.
- 2.21.4 Except as otherwise stated in this tariff, all other notices or communications required to be given under this tariff will be in writing.
- 2.21.5 Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the second business day following placement of the notice, communication or bill with the U.S. mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.
- 2.21.6 The Company or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 2 - RULES AND REGULATIONS, (CONT'D)

2.22 Mixed Interstate and Intrastate Switched Access Services

2.22.1 When mixed interstate and intrastate switched access service is provided, all charges, including nonrecurring charges, usage charges, and optional features changes shall be determined through the procedure set forth in 2.9.2, above.

2.23 Conflicts Between Tariff and Commission Rules

If this tariff contains provisions that deny or restrict a Customer's rights otherwise protected by Commission rules, the Commission rules supersede any conflicting tariff provisions that deny or restrict any of those rights unless otherwise ordered by the Commission, court order or statute.

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SECTION 3 - SWITCHED ACCESS SERVICE

3.1 General

- 3.1.1 Switched Access Service, which is available to Customers for their use in furnishing their services to End Users, provides a two-point communications path between a Customer's Premises and an End User's Premises. It provides for the use of common terminating, switching and trunking facilities, and for the use of common subscriber plant of the Company. Switched Access Service provides for the ability to originate calls from an End User's Premises to a Customer's Premises and to terminate calls from a Customer's Premises to an End User's Premises in the LATA where it is provided.
- 3.1.2 When a rate as set forth in this tariff is shown to more than two decimal places, the charges will be determined using the rate shown. The resulting amount will then be rounded to the nearest penny (i.e., rounded to two decimal places).
- 3.1.3 In the absence of an ASR as described in Section 3.4, delivery of calls to, or acceptance of calls from, the Customer's End User location(s) via Company-provided switched access services shall constitute a Constructive Order and an agreement by the Customer to purchase the Company's switched access services as described and priced herein.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 3 - SWITCHED ACCESS SERVICE, (CONT'D)****3.2 Manner of Provision**

- 3.2.1 Switched Access is furnished for originating and terminating calls by the Customer to its End User.
- 3.2.2 Switched Access is furnished on a per-line or per trunk basis.
- 3.2.3 Originating traffic type represents access capacity within a LATA for carrying traffic from the End User to the Customer; and Terminating traffic type represents access capacity within a LATA for carrying traffic from the Customer to the End User. When ordering capacity for Switched Access, the Customer must at a minimum specify such access capacity in terms of originating traffic type and/or terminating traffic type.
- 3.2.4 Switched Access is provisioned, at minimum, at the DS-1 level and provides line-side or trunk-side access to End Office switches for the Customer's use in originating and terminating communications. Basic Switched Access service will be provided with Multi-Frequency In Band Signaling (SS7 is also available, where capabilities exist).
- 3.2.5 Two types of Switched Access are available:
- A. Tandem Connect Access: This option applies when the Customer has no direct facilities to the End Office. Traffic is routed to and from the End Office via the Access Tandem. Delivery of calls to, or acceptance of calls from, the Customer's End User location(s) via Company-provided Tandem Connect Access services shall constitute a Constructive Order and an agreement by the Customer to purchase the Company's switched access services as described and priced herein.
  - B. Direct Connect Access: This option applies when the Company or another service provider provides dedicated facilities between the Customer's premises and the End Office. This transmission path is dedicated to the use of a single Customer. The Customer is responsible for providing such facilities itself or for negotiating such arrangements with possible suppliers. To the extent that the Company is able to provide such arrangements, the dedicated portion of Direct Connect Access would be provided on an Individual Case Basis as Special Service Arrangements pursuant to Section 6 of this tariff.

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Issued By:  
Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 3 - SWITCHED ACCESS SERVICE, (CONT'D)

3.3 Switched Access Service

3.3.1 Switched Transport

For traffic that EMI records indicate was tandem switched (for example, when traffic is not routed via a direct end office trunk), switched transport rate elements shall apply. As used in this Section 3.3.1, "switched transport rate elements" include (without limitation) tandem switched termination rate elements, tandem switched facility rate elements, tandem switching rate elements, and common transport multiplexing rate elements.

3.3.2 End Office Switching

The End Office Switching rate category establishes the charges related to the use of end office switching equipment, the terminations in the end office of End User lines, the terminations of calls at Company Intercept Operators or recordings, the Signaling Transfer Point (STP) costs, and the SS7 signaling function has between the end office and the STP.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 3 - SWITCHED ACCESS SERVICE, (CONT'D)****3.4 Access Ordering****3.4.1 General**

- A. Customers may order switched access through a Constructive Order, as defined herein, or through an ASR. The format and terms of the ASR will be as specified in the Industry Access Service Order Guidelines, unless otherwise specified herein.
- B. A Customer may order any number of services of the same type and between the same premises on a single ASR. All details for services for a particular order must be identical.
- C. The Customer shall provide all information necessary for the Company to provide and bill for the requested service. When placing an order for Access Service, the Customer shall provide the following minimum information:
  - (1) Customer name and Premises address(es);
  - (2) Billing name and address (when different from Customer name and address); and
  - (3) Customer contact name(s) and telephone number(s) for the following provisioning activities: order negotiation, order confirmation, interactive design, installation and billing.

**3.4.2 Access Service Date Intervals**

- A. Access Service is provided with Standard or Negotiated Intervals.
- B. The Company will specify a firm order confirmation date and Service Commencement Date contingent on the ASR being complete as received. To the extent the Access Service can be made available with reasonable effort, the Company will provide the Access Service in accordance with the Customer's requested interval, subject to the following conditions:
  - (1) For service provided under a Standard Interval: The Standard Interval for Switched Service will be sixty (60) business days from the Application Date. This interval only applies to standard service offerings where there are pre-existing facilities to the Customer Premises. Access Services provided under the Standard Interval will be installed during Company business hours.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 3 - SWITCHED ACCESS SERVICE, (CONT'D)

3.4 Access Ordering (Continued)

3.4.2 Access Service Date Intervals (continued)

B. (continued)

(2) For service provided under a Negotiated Interval: The Company will offer a Service Date based on the type and quantity of Access Services the Customer has requested. The Negotiated Interval may not exceed by more than six (6) months the Standard Interval Service Date, or, when there is no Standard Interval, the Company offered Service Date, except as otherwise agreed by the Company in writing. The Company will negotiate a Service Date interval with the Customer when:

- (a) The Customer requests a Service Date before or beyond the applicable Standard Interval Service Date; or
- (b) There is no existing facility connecting the Customer Premises with the Company; or
- (c) The Customer requests a service that is not considered by the Company to be a standard service offering (for example, if additional engineering or special construction is required to complete the order); or
- (d) The Company determines that Access Service cannot be installed within the Standard Interval.

C. All services for which rates are applied on an Individual Case Basis are provided with a Negotiated Interval.

3.4.3 Access Service Request Modifications

The Customer may request a modification of its ASR prior to the Service Commencement Date. All modifications must be in writing using the industry ASR process. The Company, in its sole discretion, may accept a verbal modification from the Customer. The Company will make every effort to accommodate a requested modification when it is able to do so with the normal work force assigned to complete such an order within normal business hours.

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Issued By:  
Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 3 - SWITCHED ACCESS SERVICE, (CONT'D)

3.5 Special Construction or Special Service Arrangements

3.5.1 Subject to the agreement of the Company and to all of the regulations contained in this tariff, special construction of Company facilities or development of special service arrangements may be undertaken by the Company on a reasonable-efforts basis at the request of the Customer. Such construction or arrangements will be provided pursuant to regulations contained in Section 6 of this tariff.

3.6 Obligations of the Company

3.6.1 With regard to access services provided by the Company, specific Company responsibilities include, but are not limited to the following:

A. Network Management

The Company will administer its network to ensure that provision of acceptable service levels to all telecommunications users of the Company's network services. Generally, service levels are considered acceptable only when both End Users and Customers are able to establish connections with minimal delay encountered within the Company network. The Company maintains the right to apply protective controls, i.e., those actions, such as call gapping, which selectively cancel the completion of traffic, over any traffic carried over its network, including that associated with a Customer's Switched Access Service. Generally, such protective measures would only be taken as a result of occurrences such as a failure or overload of Company or Customer facilities, natural disasters, mass calling or national security demands.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 3 - SWITCHED ACCESS SERVICE, (CONT'D)****3.6 Obligations of the Company (Continued)****3.6.1 (continued)****B. Design and Traffic Routing of Switched Access Service**

The Company shall design and determine the routing of Switched Access Service, including the selection of the first point of switching and the selection of facilities from the interface to any switching point and to the End Offices. The Company shall also decide if capacity is to be provided by originating only, terminating only, or two-way trunk groups. Finally, the Company will decide whether trunk side access will be provided through the use of two-wire or four-wire trunk terminating equipment.

Selection of facilities and equipment and traffic routing of the service are based on standard engineering methods, available facilities and equipment and the Company's traffic routing plans. If the Customer desires different routing or directionality than that determined by the Company, the Company will work cooperatively with the Customer in determining (1) whether the service is to be routed directly to an end office or through an access tandem switch and (2) the directionality of the service.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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SECTION 3 - SWITCHED ACCESS SERVICE, (CONT'D)

3.7 Obligations of the Customer

3.7.1 The Customer has certain specific obligations pertaining to the use of Switched Access Service. These obligations are in addition to obligations specified in Section 3.9 of this tariff and are as follows:

A. Report Requirements

Customers are responsible for providing the following reports to the Company, when applicable:

Jurisdictional Reports

When a Customer orders Switched Access Service that may be used for both interstate and intrastate traffic, the Customer is responsible for providing reports as set forth in Section 2.9.2, preceding. Charges will be apportioned in accordance with those reports.

B. On and Off-Hook Supervision

The Customer's facilities shall provide the necessary on and off-hook supervision for accurate timing of calls.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 3 - SWITCHED ACCESS SERVICE, (CONT'D)****3.8 Rate Regulations****3.8.1 General**

There are three types of rates and charges that apply to Switched Access Service provided by the Company. These are monthly recurring charges, usage charges, and nonrecurring charges.

**3.8.2 Types of Charges**

- A. Nonrecurring charges are one-time charges that apply for a specific work activity (e.g., installation or change to an existing service). Non-recurring charges may apply for installation of service, installation of optional features and service rearrangements.
- B. Recurring Charges are flat monthly rates that apply for each month or fraction thereof that a specific rate element is provided. For billing purposes, each month is considered to have thirty (30) days.
- C. Usage Charges are rates that apply only when a specific rate element is used. These are applied on a per-access minute, a per-call or per-query basis. Usage rates are accumulated over a monthly period.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 3 - SWITCHED ACCESS SERVICE, (CONT'D)****3.8 Rate Regulations (Continued)****3.8.3 Measurement of Access Minutes**

- A. When recording originating calls over Switched Access Service with multi-frequency address signaling, usage measurement begins when the first wink supervisory signal is forwarded from the Customer's facilities. The measurement of originating call usage over Switched Access Service ends when the originating Switched Access Service entry switch receives disconnect supervision from either the originating End User's End Office (indicating that the originating End User has disconnected), or from the Customer's facilities, whichever is recognized first by the entry switch.
- B. For terminating calls over Switched Access Service with multi-frequency address signaling, the measurement of access minutes begins when a seizure signal is received by the Company from the Interexchange Carrier's trunk group at the Point of Presence within the LATA. The measurement of terminating call usage over Switched Access Service ends when a disconnect signal is received by the Company, indicating that either the originating or terminating user has disconnected.
- C. When recording originating calls over Switched Access Service with SS7 signaling, usage measurement begins with the transmission of the initial address message by the switch for direct trunk groups and with the receipt of an exit message by the switch for tandem trunk groups. The measurement of originating Switched Access Service usage ends when the entry switch receives or sends a release message, whichever occurs first.
- D. For terminating calls over Switched Access Service with SS7 signaling, the measurement of access minutes begins when the terminating recording switch receives the initial address message from the terminating End User. On directly routed trunk groups or on tandem routed trunk groups, the Company switch receives the initial address message and sends the indication to the Customer in the form of an answer message. The measurement of terminating Switched Access Service call usage ends when the entry switch receives or sends a release message, whichever occurs first.
- E. Mileage, where applicable, will be measured in accordance with standard industry practices.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 3 - SWITCHED ACCESS SERVICE, (CONT'D)****3.8 Rate Regulations (Continued)****3.8.3 Measurement of Access Minutes (Continued)**

- F. The Company will use the Small Exchange Carrier Access Billing ("SECAB") guidelines, or the Carrier Access Billing System ("CABS") guidelines, or other system that emulates or otherwise produces a reasonable substitute for the output of SECAB or CABS, for billing all charges under this tariff. The Company will provide billing using a hardcopy format or upon request, a mechanized medium (e.g., cartridge tape, CD ROM, etc.). Bills will be accurate and contain sufficient supporting details to allow Customers to account for the charges and to verify their accuracy in a reasonable and timely fashion. Requests for additional bill detail will be handled and priced on an Individual Case Basis (ICB).

**3.8.4 Moves**

- A. A move of services involves a change in the physical location of one of the following:
- (1) The point of termination at the Customer's Premises, or
  - (2) The Customer's Premises
- B. The charges for the move are dependent on whether the move is to a new location within the same building or to a different building as described below:
- (1) Moves Within the Same Building  

When the move is to a new location within the same building, the charge for the move will be an amount equal to one half of the nonrecurring charge for the capacity affected. There will be no change in the minimum period requirements.
  - (2) Moves to a Different Building  

Moves to a different building will be treated as a discontinuance and start of service and all associated nonrecurring charges will apply. New minimum period requirements will be established for the new service. The Customer will also remain responsible for satisfying all outstanding minimum period charges for the discontinued service.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 3 - SWITCHED ACCESS SERVICE, (CONT'D)****3.8 Rate Regulations (Continued)****3.8.5 Installation of Optional Features**

- A. If a separate nonrecurring charge applies for the installation of an optional feature available with Switched Access Service, the charge applies whether the feature is installed coincident with the initial installation of service or at any time subsequent to the initial installation of service.
- B. For all other changes, including the addition of, or modifications to, optional features without separate nonrecurring charges, a charge equal to one half the Switched Transport nonrecurring (i.e. installation) charge will apply. When an optional feature is not required on each transmission path, but rather for an entire transmission path group, an end office or an access tandem switch, only one such charge will apply.

**3.8.6 Service Rearrangements**

- A. Service rearrangements are changes to existing services which do not result in either a change in the minimum period requirements or a change in the physical location of the point of termination at the Customer's premises or the Customer's End User's premises. Changes, which result in the establishment of new minimum period obligations, are treated as disconnects and starts.
- B. The charge to the Customer for the service rearrangement is dependent on whether the change is administrative only in nature or involves an actual physical change to the service.
- C. Administrative changes will be made without charge(s) to the Customer. Such changes require the continued provision and billing of the Access Service to the same entity or change in jurisdiction.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

## SECTION 4 – RATES AND CHARGES

4.1 Carrier Common Line Access

Originating Per Access Minute	\$0.021533
Terminating Per Access Minute	\$0.029265
800 Database Query, Per Call	\$0.007500

4.2 Switched Access Service4.2.1 Switched Transport

Tandem-Switched Termination (per access minute)	\$0.000431
Tandem-Switched Facility (per access minute per mile)	\$0.000022
Tandem Switching (per access minute per tandem)	\$0.000000
Common Transport Multiplexing (per access minute)	\$0.000000

4.2.2 End Office Switching

Local Switching (per access minute)	\$0.014308
Common Trunk Port (per access minute)	\$0.000000
Information Surcharge	\$0.000000
Host-Remote Termination (per host-remote access minute)	\$0.000431
Host-Remote Facility (per host-remote access minute per mile)	\$0.000022
Host-Remote Trunk Port (per host-remote access minute)	\$0.000000
Host-Remote Multiplexing (per host-remote access minute)	\$0.000000

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

SECTION 5 - MISCELLANEOUS SERVICES AND CHARGES

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 6 - SPECIAL CONTRACTS, ARRANGEMENTS, AND CONSTRUCTION****6.1 Special Contract Arrangements**

At the option of the Company, services may be offered on a contract basis to meet specialized pricing requirements of the Customer not contemplated by this tariff. The terms of each contract shall be mutually agreed upon between the Customer and Company and may include discounts off of rates contained herein and waiver of recurring, nonrecurring, or usage charges. The terms of the contract may be based partially or completely on the term and volume commitment, type of access arrangement, mixture of services, or other distinguishing features. Service shall be available to all similarly situated Customers for a fixed period of time following the initial offering to the first contract Customer as specified in each individual contract.

**6.2 Special Service Arrangements**

6.2.1 If a Customer's requirements cannot be met by services included in this tariff, or pricing for a service is shown in this tariff as ICB, the Company will provide, where practical and at its sole discretion, special service arrangements at charges to be determined on an Individual Case Basis. These special service arrangements will be provided if the provision of such arrangements is not detrimental to any other services furnished under the Company's tariffs.

6.2.2 Special service arrangement rates are subject to revision depending on changing costs or operating conditions.

6.2.3 If and when a special service arrangement becomes a generically tariffed offering, the tariffed rate or rates will apply from the date of tariff approval.

**6.3 Non-Routine Installation Charges**

At the Customer's request, installation and/or maintenance may be performed outside the Company's regular business hours or in hazardous locations. In such cases, charges based on cost of the actual labor, material, or other costs incurred by or charged to the Company will apply. If installation is started during regular business hours but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays or night hours, additional charges may apply.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789

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**SECTION 6 - SPECIAL CONTRACTS, ARRANGEMENTS, AND CONSTRUCTION, (CONT'D)****6.4 Special Construction Charges****6.4.1 General**

- A. Special construction charges may apply for services provided to the Customer by the Company. Special construction includes but is not limited to that construction undertaken:
- (1) where facilities are not presently available, and there is no other requirement for the facilities so constructed;
  - (2) of a type other than that which the Company would normally utilize in the furnishing of its services;
  - (3) over a route other than that which the Company would normally utilize in the furnishing of its services;
  - (4) in a quantity greater than that which the Company would normally construct;
  - (5) on an expedited basis;
  - (6) on a temporary basis until permanent facilities are available;
  - (7) involving abnormal costs;
  - (8) in advance of its normal construction; or
  - (9) when the Company furnishes a facility or service for which a rate or charge is not specified in the Company's tariff.
- B. Where the Company furnishes a facility or service requiring special construction, charges will be determined by the Company and may include: (1) non-recurring charges; (2) recurring charges; (3) usage charges; (4) termination liabilities; or (5) a combinations thereof.
- C. Rates and charges for special construction shall be determined and presented to the Customer for its approval prior to the start of construction. No construction will commence until and unless the Customer accepts in writing the rates and charges as presented by the Company.
- D. Advance deposits to cover contingences of special construction projects will be applied to the first bill where the special construction appears.

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Robert W. McCausland  
Vice President and Secretary  
Sage Telecom, Inc.  
805 Central Expressway South, Suite 100  
Allen, Texas 75013-2789